

COMMITTEE ON FINANCE

May 14, 2001

6:30 PM

Chairman Cashin called the meeting to order.

Chairman Cashin called for the Pledge of Allegiance, this function being led by Alderman Gatsas.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Levasseur, Sysyn, Clancy (late), Pinard, Lopez, Shea, Vaillancourt, Pariseau, Cashin, Thibault (late), and Hirschmann

Absent: Alderman O'Neil

Chairman Cashin addressed Item 4 of the agenda:

Continuing discussions relative to FY2002 budget requests.

Health

Mr. Rusczyk stated I am the City's Public Health Director. To my left is Richard DiPentima who serves as the Deputy City Health Director. Tonight I am going to do a brief overview of the budget presentation that was earlier made to the Mayor. Realizing that time is short and you have a busy schedule tonight, this is an abbreviated presentation. If I leave anything out or you have any questions, I would be more than happy to answer them. The Health Department has three basic divisions. We have a division of Environmental Health that encompasses all of our inspection activities. We have a division of Community Health that runs all of our clinical activities and does all of our communicable disease control work and we have a division of School Health that provides all of the services in Manchester's public and parochial schools. We also have a separate unit, Public Health Assessment & Improvement that does a lot of the health planning and public health work that involves bringing community agencies together for community wide strategies. Our role is different than the role of other health providers. Our role is one of prevention. Our work is to improve the health of the public and to institute and establish those actions and measures on the part of the community that will help insure a healthy public into the future. The Health

Department has some critical issues facing it. One is that the facility that we are in has been temporary housing now for 19 years. Like others in the health field we are finding a difficult time recruiting and retaining qualified staff. Just since the beginning of the last school year we lost six or seven school nurses and we find that we don't have many applicants when we put out a call for candidates. We, like others in the health field, have a need to have information so that we can not only react to public health problems but health information early enough on so that we can anticipate an act before the community's health is in danger. Like we are seeing across the country, there is a decreasing number of nurses available and the nurses still provide the bulk of the staff within the Health Department so the availability of our staff resources into the future and the availability of other resources as our City mirrors other communities in the country with new and emerging health problems...last year's new and emerging health problem was the West Nile Virus and I will talk about that in a bit. In years past we have had emerging problems such as Aids and going back awhile ago we have had the reemergence of TB and new bacteria such as E-Coli 0157 and several others that we try to stay on top of. Some of the other issues that we know that we need to do as we move forward as a community is we need to make certain if we are going to be a destination community that we do everything we can to ensure a quality environment. In the last couple of decades the number of kids with asthma has more than doubled and is expected to double again in the next 10-15 years. Problems in terms of having a City environment that is conducive to kids being physically active and kids being healthy is also of concern to us. We are seeing some of our youth with growing problems of obesity, poor nutrition, and lack of exercise and this in turn develops health problems that will stay with them until their later years. The budget that we are presenting is a status quo budget. If you look at the portrayal on the chart it actually shows that we decreased slightly in staff over the last year and that decrease occurred because we lost some state funding for lead poisoning prevention and because in the budget deliberations there was a 2% reduction in our staffing complement. So, we took that opportunity to kind of...and at the same time if you recall about a year or so ago we all went from 35 to 40 hours so we cut back on the staff and reestablished some of our programs and services to keep everything fine tuned with the services we provide. Again, the budget that is being presented tonight is a status quo budget. This slide details the 22 different programs that the Health Department is responsible for and in your budget package is considerable detail on some of the activities that we do and I will just highlight a few of them if I may. In our Community Health Services Division we provide over 25,000 clinic and home visits per year. We see about 1,600 people in our HIV-STD clinic. Other problems such as TB control – we provide about 1,400 skin tests and out of the TB Control Program alone our nurses made 960 home visits. Some of our work goes on seven days a week. If we have a person with TB either an active case or one that there is some fear that it might become active, we will provide in the home

setting directly observed therapy to be involved in the medication on a seven day per week basis. The community health nurses also provide the core, our core staff for reacting to communicable disease reports and there too if we get a communicable disease report on a Saturday or Sunday or an evening, that staff is mobilized to go out and work on the communicable disease investigation. Last year there were 82 such disease investigations. Not all of them are as sensational as when we get a case of meningitis that requires immediate response. Some of them aren't as critical to occur in a very immediate fashion. Manchester is also a changing population so we do see increased services to populations that may have resettled in Manchester after having come in from spots elsewhere in the world. The second major area is Environmental Health. We provide over 5,000 inspections per year. We have a food protection program where we issue over 700 permits. We provide about 2,000 inspections just in food inspection alone. We respond to all of the public health complaints that the public will call in on, ranging from there is trash in my yard from my neighbor or someone's trash isn't taken care of to more elaborate investigations that are required for things such as concerns around indoor air quality in schools. A sizable portion of Manchester is still covered by septic systems so our folks are involved in the inspection and investigation of on-site sewage disposal matters. We have a Public Health Assessment & Improvement Program. Now this program is responsible for a lot of the community wide activities. They coordinate the work of the Healthy Manchester Leadership Council. Another item is Manchester was one of 41 communities in the country to see Robert Wood Johnson Foundation Turning Point funding to look at how we realign our public health services to have the biggest impact on improving the health of the public. We have addressed other things such as adolescent pregnancy prevention. We have looked at oral health needs in the community. As you know, our involvement in trying to improve the oral health of our community led to the Kiwanas Club donating \$100,000 new dental van to the Health Department and we work with others in the community to establish the appropriate services for the community. In this program, in the Public Health Assessment & Improvement Program, it is not so important what we do as much as what we can do as a community and as a team. Half of our staff is involved in the school health program. Last year there were over 250,000 visits to the school nurse for one matter or another. There were over 115,000 medication doses administered in the school setting. There were close to 34,000 health screenings and about 155,000 first aid and illness assessments and those are just the things that I have highlighted here but the school nurses are involved in much, much more in the schools. The last item in the report that I want to highlight is the administration. We have a computerized phone system that monitors incoming phone calls and we can tell you that we receive over 100,000 incoming phone calls per year. Some days the number of phone calls might be as many as 700 or over 700 when we had the West Nile Virus concerns over the summer. We typically average about 500 calls per day. We provide program support to 70 part-time and

full-time staff. That includes the substitute school nurses. Some services we provide by contract. The City receives federal money for homeless healthcare services and we, in turn, provide that service to the community through a contract with Catholic Medical Center Community Services and yet we serve as the Executive Director, if you will, on that program. We oversee 15 outside funding projects. In many cases these are things that involve improving the health of the community. The money may come in through the Health Department, but it is passed out to a variety of contracts with community agencies. The administration group, just in terms of how it is shown and reflected in the budget, provides the technical and administrative direction to all programs. We also provide budget and payroll support to the Office of Youth Services and naturally provide all of the clinic receptionist duties and other administrative work. We are a pretty...we feel that we are a pretty busy outfit. We do our best to provide services to the public in a manner that is needed by the public. We try to stay on top of all of the services we provide. In the Mayor's budget, and this slide just provides a summary overview, total budget of \$2,664,606 and the revenue that we can apply back to the City budget. We have other outside funds that come in by the way that go over to CIP projects and the projects are administered through CIP accounts. They in turn don't reflect in the Mayor's budget. That revenue projection is an increase over last year and when you take into account the increase in revenue our actual budget increase for FY02 over FY01 represents about a 3% increase. This is just a slide portraying the growth in revenue over the last three years. This slide shows how our budget is broken up. I already detailed some of our services, but when you look at it from a budgetary standpoint about 53% or so of our overall budget provides school health services. In school health services, the majority of that goes to our public schools as part of a chargeback in our budget is an amount of \$988,955, which covers the 30+ staff that are provided in the school setting. The cost of services that go to parochial schools is approximately \$51,000. We monitor our costs closely. We have a service excellence team which is a total quality management team in the Health Department and it is comprised of staff from all of our divisions, the union steward and all of the supervisory staff and we work together to do the best that we can in designing our programs but also in maintaining costs. So, we do watch our costs closely. Our costs for school health services is about \$57.60 per student and we bring in about \$140,000 for Medicaid reimbursement in the school health program. In our public health services...all of the rest of the services that aren't related to our school costs come out to be about \$9.50 per Manchester resident and that is broken down to about \$1 that goes to dental health, about \$5 per resident for all of the communicable disease investigations and clinical activities that we do, just about \$2 for all of the environmental health work and about \$1.50 for the epidemiology stuff that we do and public health planning. Again, these are costs after we have doled out if you will or portioned out our administrative costs to reflect our time within each program. For the public health services, we recover about \$350,000 that is applied

back to the budget from outside funding sources, including permit fees for example and smaller state grants that don't pay for a full staff person but may support part of a staff person. An important piece of the budget for us is what we do to maintain our costs and to keep our services current with our needs. We have ongoing activity and productivity reports. All of this information is shared with our service excellence team. We do monitor our costs for our programs. We try to rely, whenever we can, on outside funding to support our programs. Again, I will mention the service excellence team because this team has been instrumental in working within the Health Department to stay on top of things. Lastly, we are very careful in our expense management areas. Like others in the City, before any money can be spent it generally requires at least two signatures from the Director. Now there are some items that were requested in the Mayor's budget but weren't funded but are yet very critical to our operations. We have pared those down since our original budget presentation to the Mayor, but there are some priority items here that I guess I am seeking your consideration on. One of them is to replace our duplicator. Our duplicator broke earlier this year and we use it to print off large numbers of forms. For example, with 19,000 students in the schools we have multiple forms times 19,000 and the duplicator is the least expensive way for us to make those copies. It is considerably less expensive than making photo copies so the duplicator is an item that we found has paid for itself over and over again. The second item is one thing we found last year during the West Nile Virus outbreak is that the microscope we had within the Division of Environmental Health wasn't up to the work of doing the mosquito identification work that must occur so we are requesting money for a replacement microscope. Last year when we were doing our mosquito identification work we borrowed microscopes from other places to do our work. We are seeking to replace a couple of desks. Some of the desks that we have actually came from the former Police Station when it was torn down in 1975. They have served us well through the years but we find that at least two of them absolutely have to be replaced and chairs. Again, we find that chairs have a given life and we haven't been replacing them on a real frequent basis but we do have some chairs in the department, work chairs that we need to replace. The three audiometers, which are hearing machines that are used in the school setting, is part of our chargeback and a reflection in our budget to the School Board would be to replace three hearing machines. That summarizes the capital requests that weren't funded, but yet are significant. We did pare that done. We had a few other items in the capital request. We were looking for a couple of bookshelves and some filing cabinets but a major area of concern for us that wasn't funded in the budget is the City's West Nile Virus response. Last year we were the first community to have West Nile Virus positive birds in the state and, in fact, almost half of all of the West Nile Virus birds that were found in the state came from Manchester. West Nile Virus is largely an urban concern and Manchester is most certainly the most urban community in the state. We requested \$40,000 in the budget for West Nile Virus control measures and control

measures include larvae sighting to go to those areas that can't be drained or taken care of that are on City property and to treat them with a larvacide. What is typically used is a bacteria that only affects larvae. It is a very safe, environmentally sound thing to do to reduce mosquito populations. We are aware, for example, that along some of the former railroad beds in Manchester there are significant pockets of water. These are things that we believe need to be targeted for larvae sightings. So, of the \$40,000 about \$20,000 was looked at for larvae sighting purposes and about \$20,000 to hold in contingency in the event that we need to institute targeted spraying measures as we did last year. Since the time we prepared our budget, we have learned that...well our budget request was \$40,000 and that was based on our anticipation that the state would have resources or would provide mosquito surveillance around the state and in fact the state is instituting a mosquito surveillance program. Unfortunately, the state's plan does not include Manchester so there are 10 other communities that will have mosquito surveillance done by the state. We had hoped that Manchester would be one of them since we had half of the positive birds and feel important. We don't know why Manchester wasn't included in the 10 communities other than perhaps the state feels that the local community can pick up that cost but if we do pick up that cost then what I need is an additional \$10,000 in the budget that isn't reflected anywhere in any request to do the mosquito surveillance part. Last year we found that the mosquito surveillance and other activities encompassed about \$17,000 worth of services. We scrambled. We hired a part-time person to help us with mosquito identification and we cut other programs to get through what was a crisis. We found that it wasn't until winter that we caught up on all of our environmental health inspection activities so this year we are recommending and requesting that if the City is to fund mosquito surveillance and at this point this looks like the only way it will get done, it will cost an additional \$10,000 over the \$40,000 that we requested. By the way, other communities are instituting West Nile Virus response work. We understand that towns like Swansey even contributed as much as \$20,000 in town funding for West Nile Virus activities and Concord \$55,000 or so. We are able to pick up some of the work ourselves and tomorrow night before the Human Resources Committee there is a request to hire a summer intern, a college student, which is the most efficient way to do most of the support work for the public. That is the end of my presentation.

Alderman Shea stated the salaries and wages that are on our sheet don't concur with yours. The bottom line is the same, \$2,664,606 but for salaries and wages I have \$2,019,381. I think you had \$1.8 million or something in your presentation.

Mr. Rusczyk replied the figure that should be reflected is on the Mayor's budget sheet and the figure I have is \$1,985,287 when you add the \$4,000 in that shows for overtime.

Alderman Shea asked so ours would concur with yours.

Mr. Rusczek answered I don't have a figure showing \$2,019,381.

Alderman Shea stated on our sheet under B01, which is salaries and wages, the Mayor is recommending \$2,019,381.

Mr. Tawney stated I believe that also includes their pension fund, overtime and regular salary.

Alderman Shea asked Fred when you make out your budget do you ask for \$2.664 million plus the chargebacks that the School gives us is included so that your budget is really whatever you put up there plus \$985,000.

Mr. Rusczek answered no. The \$985,000 chargeback is included in that \$2.6 million. If you take that out, we are looking at about \$1.6 million for the Health Department and about \$1 million for the School District.

Alderman Lopez asked under 0898, Special Projects, would the West Nile Virus be part of that or is that something separate that was introduced to the Mayor. I believe it is \$50,000 that you requested. Well you requested \$48,000 under special projects and would \$12,000 of that go for the chairs and all of that?

Mr. Rusczek answered yes. The request for the West Nile Virus response was part of the special projects request of the department.

Alderman Lopez stated you requested \$48,000 but you are showing \$50,000 here and the Mayor gave you \$7,000. Could you explain?

Mr. Rusczek replied as I said tonight is the first time I increased that figure to \$50,000. When our budget request was put together we were anticipating that the state would pick up the mosquito surveillance or would provide the resources to the community to help the mosquito surveillance work so that \$40,000 that we requested in the budget didn't include any mosquito surveillance. Now that the state's plan shows that it is not going to be doing any mosquito surveillance or providing resources to Manchester for mosquito surveillance, I have had to increase that number by \$10,000.

Alderman Lopez asked all of the grant money that you receive and I don't know what the total is but there is no money there that could pick up this \$10,000 for mosquito surveillance.

Mr. Rusczek answered no. All of the grant money we get in is pretty much targeted. For example, we might get in \$70,000 for immunizations or we might get in \$90,000 for HIV prevention or \$100,000 for TB work so it is all targeted at specific programs. There is nothing that we have any discretion over.

Alderman Thibault stated some of the people in my area are concerned about the catch basins and you are telling me that this is not funded in your budget so how would you take care of something like this. I am concerned about that as are many people in my area.

Mr. Rusczek replied my response would be in two parts. First, we spent some time looking at how the West Nile Virus is spreading out from the center of the epidemic in the Queens area. Based on that, we looked at the likelihood of whether or not it would be a significant health concern to humans this year and it seems that it might still be off a little way. We didn't pick up any positive mosquitoes last year, which was a good sign. For that reason when we looked at what we could do as a West Nile response and we did look at catch basins, we learned that there are over 11,000 catch basins in Manchester and to apply larvacide say anywhere from five to ten times per year we would be involved in anywhere from 60,000 to over 100,000 applications of larvacide and it was just not something that we felt we could afford or could promote for this year.

Alderman Thibault asked what do you feel the exposure to that is. Have you identified that some of these catch basins produce this West Nile Virus?

Mr. Rusczek answered the catch basins become a breeding site for the mosquitoes and they are apt to be a breeding site for the type of mosquito that would carry the West Nile Virus just as much as say an unkempt swimming pool, a bird bath or a tire in someone's yard. We are trying to target those things that we can encourage the public to take the measures to control as well as some of the standing water that is more easy to larvacide alongside say railroad tracks or other places. Again, the problem with catch basins is we don't doubt that some of them can allow mosquitoes to breed but it really comes down to where can we best target the resources that we hope to have.

Alderman Thibault asked do you feel that a swimming pool is probably more of an area that should get this than a catch basin. Where do you think the biggest potential hazard would be?

Mr. Rusczek answered there is no telling. The mosquitoes can breed in many, many places and it is hard to say that a pool would be more of a concern than someone's little pond or a garbage pail or a bird bath. What we are hoping to do is work with the public through our intern and provide education and support to them

with information on how they can reduce mosquitoes. For folks with ponds, often times small or big fish in a pond will knock down the mosquito larvae population considerably. There are a variety of things that we hope to do. We really couldn't say that a catch basin was more important than another breeding site.

Alderman Thibault asked in view of the fact that there has been less rain in this area in the last month or so and it looks like the rainfall will be less this year isn't that also a major potential for this West Nile Virus.

Mr. Rusczek answered certainly the less rain that we get the less apt there will be rain that pools in tires and stuff on someone's property so that is encouraging. I guess we would have to play would we rather have a drought or deal with the West Nile Virus. We are counting our blessing with the low rainfall so far.

Alderman Gatsas asked the actual YTD expenses for March 31, 2001 for wages is \$1,248,614. If I divide that by 39 pay periods and multiply it times 52 I come up to \$1,664,818.

Mr. Rusczek answered this year we have had a tremendous amount of vacancies. We just this week filled school health vacancies so when you look at the cost there are two things. One is it really reflects what has been a very bad year for vacancies and the other is that when you look at dividing by 39 some of our services are in the schools and if I have this right out of the 39 weeks for the school year about 23 weeks fall after January 1 so it has always made it difficult to go and divide and say well March 31 we should be $\frac{3}{4}$ of the way through the year. I can do that for our regular programs but when it gets to school health it takes a little bit more. I think between those two items, one of them being that school health isn't fully reflected in that first...

Alderman Gatsas interjected how many vacancies have you had.

Mr. Rusczek answered we lost six school nurses or so since the beginning of the year and we have filled them and used some subs so it is not a clean we saved \$600 a week. We have a Supervisor of Community Health position that is now vacant.

Alderman Gatsas asked how long has that been vacant.

Mr. Rusczek answered we have been trying to fill it. This is a critical position that is the person who leads the communicable disease investigations. We have been trying to fill it for about six weeks.

Alderman Gatsas asked do you have any other vacancies.

Mr. Rusczek answered no. That is our only vacancy as of today.

Alderman Gatsas asked so you are telling me that because that vacancy has been empty for six weeks which probably doesn't figure up to the March 31 number and the six school nurses are...how many weeks were lost with the six nurses.

Mr. Rusczek answered I couldn't tell you how many weeks it adds up to because we brought in temporaries and we have used subs. We would be happy to go back and get that number for you.

Alderman Gatsas replied but that is not \$228,000 worth of funding is it.

Mr. Rusczek answered we were also without positions at the beginning of the budget year as well. As I said we decided that since we didn't have...our budget was cut by about 3% as all budgets were and we also at the same time went from 35 to 40 hours, we held several positions until we got a reorganization approved through the Aldermen so there were also several weeks at the beginning of the budget year when there were savings. I would be happy to go back and work on a projection through the end of this year. I can tell you that in our budget figures for next year it is to a penny what everybody's salary is projected to be. There is no way that we have an opportunity to build in any fluff.

Alderman Gatsas stated my question is where is the \$230,000.

Mr. Rusczek answered it is still sitting in the budget. We haven't spent it.

Alderman Gatsas replied but you just told me that it couldn't be funded for one person because they are still in that number of \$1.248 million. All of his wages are there except for the last six weeks and that doesn't include this number.

Mr. Rusczek responded I would be happy to go back and provide all of the detail of the vacant positions throughout the year that will cause us to have a surplus this year. Just off hand I don't think I can provide that detail.

Chairman Cashin asked, Fred, can you please get Alderman Gatsas the information he is looking for.

Mr. Rusczek answered yes.

Alderman Levasseur stated I don't know if you are aware of this, Fred, but there is no reason...if you are going to have some extra salary money left over because of not filling those positions you can always come to this Board now before the fiscal

year is over and request a line item change because if you get that equipment money now instead of asking for it in your next year's budget I don't think there would be a problem with that. This Board would probably be willing to give you the money for that if you had the money left over in this budget and I think it would be prudent of you to do that rather quickly. I am not sure how much money you are going to end up being over for salaries but it sounds to me like \$231,000 would be very high.

Mr. Rusczek replied it won't be that high.

Alderman Levasseur asked do you have any idea what that would be.

Mr. Rusczek answered I really couldn't venture a guess but I will go back and figure out those figures.

Alderman Levasseur stated I would think that it would be better for you to come in and get that money from us now and also try to get that \$10,000 put aside in a contingency fund for yourself whether you have to use it or not. I wanted to ask you a question concerning your school chargeback. You don't ask for a request...you don't specifically make any kind of request or ask for it in your budget? Is there a reason for that and why is the number exactly the same? The Mayor's recommended is \$988,000 and that is what you got but how come there is no request from your department. I am on Page 23.

Mr. Rusczek responded I didn't understand that.

Alderman Levasseur replied I guess the Aldermen are saying that the school chargebacks were in a different column and this year it is completely left blank. Did you make a request for school chargebacks?

Mr. Rusczek stated the figure I have is \$988,955.

Alderman Levasseur replied right but there is nothing in there that you requested. Is there a reason for that?

Mr. Rusczek responded not that I am aware of. I mean the \$988,955 figure came from the Health Department.

Alderman Levasseur asked oh it did but it just wasn't put on the sheet. It just says Mayor's recommended but you didn't request is.

Mr. Rusczek answered I see what you mean. It just wasn't entered on the sheet by anybody.

Alderman Levasseur asked but that was the request that you asked for.

Mr. Rusczek answered yes.

Alderman Levasseur asked and that was fully funded.

Mr. Rusczek answered yes.

Alderman Levasseur asked does this budget include the increase in fees that was just approved by the Committee on Accounts, Enrollment & Revenue Administration.

Mr. Rusczek answered yes.

Alderman Levasseur asked so you projected that the increase would be given and then you put it in your budget.

Mr. Rusczek answered yes.

Alderman Clancy asked regarding your duplicating machine, why don't you lease one instead of buying it.

Mr. Rusczek answered we did look at lease costs but it is something that when we looked at we discovered that we would end up paying the same amount over two years that we would to purchase. The last one lasted us about eight to ten years so we thought the purchase would be the cheaper way to go.

Alderman Wihby stated going back to the chargeback number, the \$988,000 did they pay it and are they paying it on schedule.

Mr. Rusczek replied the payments go back to the City Finance Department. As far as I know, up through March I think things were paid. Again, the money actually goes to the Finance Department. We do get it reflected in a computer printout and I think it is up-to-date.

Alderman Wihby asked there are no new school nurses or anything. The staff amounts are the same for this year and next year?

Mr. Rusczek answered we are projecting the same staffing level in the schools as we had in FY01.

Alderman Wihby stated back to Alderman Thibault's question what happens if you don't get the funding for the intern and how much was that.

Mr. Rusczek answered the intern is a small amount. The cost for this fiscal year for the intern is before the Human Resources Committee tomorrow night and is about \$1,500. The cost in FY02 is about \$3,000.

Alderman Wihby asked what happens if you don't get any money.

Mr. Rusczek answered if we don't get any money there won't be any West Nile Virus response. We will be able to answer questions and do what we can.

Alderman Wihby asked can you just go over the \$10,000 and the \$40,000 again. What was the difference or were there two different numbers?

Mr. Rusczek answered the \$40,000 was what we had anticipated would be our West Nile Virus response needs. That was broken up into two areas. One was the preventative thing such as larvaciding and the control thing for adult mosquitoes such as spraying if need be. The additional \$10,000 is to do mosquito surveillance.

Alderman Wihby asked so it is \$40,000 plus \$10,000. So you are looking for \$50,000?

Mr. Rusczek answered yes.

Alderman Wihby asked in the Mayor's number you don't get anything. What happens if that number is adopted? What will we do?

Mr. Rusczek answered we will have to come back to the Board and request funding. If a West Nile Virus positive bird is found and in all likelihood that will occur, we will have to come back and ask for funding. I would anticipate that that would happen fairly early in July.

Alderman Wihby asked funding for how much, all \$50,000.

Mr. Rusczek answered yes. Again, we have only had a few years history with West Nile Virus in this country so it is hard to say that Concord is right or wrong with \$55,000 or other communities are right or wrong with \$20,000. We tried to look at what would be practical for this coming year and felt that the \$40,000 figure when we were anticipating the state would provide mosquito surveillance would provide a balance between larvaciding and control. As I said unfortunately

we have to ask for an additional \$10,000 so we can do the mosquito trapping and the mosquito identification.

Alderman Wihby asked and there is no way we are going to get that from the state. We already know that or there is still a possibility?

Mr. Rusczek answered we just confirmed in the middle of last week that they are funding mosquito surveillance in 10 other communities from Claremont and Lebanon to Hampton and Dover.

Alderman Wihby asked but not us.

Mr. Rusczek answered but not Manchester.

Alderman Wihby asked so there is no possibility that you will come back here and telling us that you have the money.

Mr. Rusczek answered no. I did send a letter to Commissioner Shumway last week expressing my disappointment that Manchester, which is really the epicenter if you will of where the positive West Nile birds were found last year, was not included in the state's surveillance plan.

Alderman Shea asked you intend to have a surplus is that correct.

Mr. Rusczek answered this year yes.

Alderman Shea stated you could probably try for the duplicator probably the School Department is buying some and there could maybe be some coordination with your department under a chargeback type of deal. The other is the desk and chairs. The School Department probably has a few extra desks that they could give you unless you want new ones. The other point is that I think that if you and I agree with Alderman Wihby that the West Nile Virus is certainly a serious problem and there shouldn't be any reluctance on the Board's part to try to fund that particular situation whether it be through something that you can come back to the Board with in the next couple of weeks or months and say look I am going to have X amount of money left and I want to use it as part of my budget for this year and you could work it out that way I am sure. The intern of course is...you said you were picking that up through your regular budget this year so that is not a problem as far as that is concerned.

Alderman Vaillancourt asked of your \$25,000 for clinic and home visits per year how many of those would be home visits and how much more does it cost for a home visit than somebody visiting you.

Mr. Rusczek answered the figure for home visits and they are predominantly for TB control because of the nature of that work we are better off to go off to someone's home and make sure that the medication is taken rather than bringing them into a central location.

Alderman Vaillancourt asked so when you say 25,000 clinic and home visits, I am assuming the number of home visits is very minimal.

Mr. Rusczek answered it is about 1,000. Again if you look down under TB control it reflects about 960 for TB control. Some of the other home visits are done around lead poisoning investigations. We wouldn't do a home visit say to give immunizations but for things that must occur in the home predominantly TB control and lead poisoning investigations are the two that probably make up 99% and there might be a communicable disease investigation that may bring us out to a home as well.

Alderman Vaillancourt asked and they would be much more expensive than having someone come in to visit you.

Mr. Rusczek answered right.

Alderman Thibault stated you said something about the Mayor not appropriating anything in your budget for the West Nile Virus. However, are you still going to be monitoring and checking on this stuff? I mean checking on the West Nile Virus if, in fact, something does happen. You did it last year and you came back to the Board for some money didn't you?

Mr. Rusczek replied last year...well the first question is we will be still collecting birds and sending them up to Concord for testing so the part of a West Nile Virus that relates to bird testing will continue. The mosquito surveillance and testing in a very minimal way we started some of that last year without any outside support. Once we had a positive bird and things expanded and exploded, we realized how difficult it was to try to do that and cut all of the other programs. The way we funded the outside work last year was that by the time we got the bills and stuff in the winter we funded that out of our special project area by eliminating some of the community clinics that we were doing in the schools last year. For example, we provided four different community clinics in April last year and this year we just didn't have the funds because of the West Nile Virus.

Alderman Thibault stated my question is you are still going to be monitoring this and if, in fact, something needs to be done there you will do it whether you have to come back to this Board for more money or take it out of some other program.

Mr. Rusczek answered one of the basic monitoring items that needs to occur with the West Nile Virus is mosquito surveillance. The bird surveillance part will continue. The mosquito surveillance, which is the other arm, will not. The other problem is we are best off to do some prevention with larvaciding than wait until we have a high number of mosquitoes of the species that can carry the West Nile Virus.

Alderman Thibault asked are you still going to be monitoring what is going on out there.

Mr. Rusczek answered not to the extent that we should.

Alderman Thibault asked so if you get complaints or input from people outside you are going to be looking at those.

Mr. Rusczek answered if we have the intern, the intern will respond to all of those questions and naturally there will be support from within the department as well for the intern.

Chairman Cashin asked, Fred, based on what I have heard here tonight you are going to have at least a surplus of \$100,000 in your budget right.

Mr. Rusczek answered correct.

Chairman Cashin stated I would strongly recommend that you write a letter to the Finance Committee of this Board asking them if you could take \$50,000 for the West Nile Virus out of that surplus. I would recommend that you do that as soon as possible.

On motion of Alderman Pariseau, duly seconded by Alderman Lopez, it was voted to authorize the Health Department to expend \$50,000 through budget transfers within the Health Department's current fiscal year 2001 for a special project, West Nile Virus control.

Alderman Levasseur asked what about the equipment. Do we not want to let them get that this year?

Chairman Cashin stated I am sure that if we give him the \$50,000 he can come up with the money for the equipment.

Alderman Gatsas asked, Fred, how many phone lines do you have.

Mr. Rusczek answered including our fax lines we have 13 or 14 and believe it or not sometimes they are all filled so we have to wait to get an open line to get out.

Alderman Gatsas asked how many fax lines do you have.

Mr. Rusczek answered two.

Alderman Gatsas asked so you have 11 phone lines.

Mr. Rusczek answered yes.

Alderman Gatsas stated I can believe that when you are getting 62 calls an hour.

Mr. Rusczek replied it is surprising. I mean every time I look at the computer printout I am surprised at the number of phone calls that we get in.

Alderman Gatsas asked in your revenue line, Medicaid reimbursement, you are showing \$90,000 however to date you haven't collected anything.

Mr. Rusczek answered the Medicaid reimbursement is actually collected by the School Department. The Medicaid reimbursement is for school health services. They have been collecting the Medicaid reimbursement and in turn they pay our chargeback but they have the benefit of the revenue that is generated by the school nurses.

Alderman Gatsas asked so why does this number go to...why are we showing that revenue then on our side.

Mr. Rusczek answered I show it as part of the School Health Division and I think it gets sorted out someplace over here. This question does come up and perhaps Mr. Sherman could answer how it gets sorted out.

Mr. Sherman stated the School Department does pay the Health Department for their school nurses. The School Department gets the Medicaid reimbursement and that is going into the School Department's budget. You, as part of the appropriation for the School Department, take that revenue into consideration on the school side. If there are extra Medicaid revenues over what you appropriated to the school, those revenues really should be coming back to the City. In the past few years there haven't been excess revenues and for FY00 there were excess and that is one of the issues that we still need to sort out with the School Department. I think Mr. Rusczek puts that number in there just so you are aware of the net cost to the City of what his budget is even though that \$140,000 really shouldn't be in there for next year. You won't see any revenue under the Health Department

come in for Medicaid. That is being reflected under the School Department because they are picking up the actual costs and putting in for that reimbursement.

Alderman Gatsas replied so you are saying I shouldn't have asked that question.

Mr. Sherman stated it all depends on which direction you are looking to move I suppose.

Alderman Gatsas asked how about Food Class II. That is showing revenues for FY00 and FY01 but nothing for FY02. The same thing with Food Class IIIA.

Mr. Rusczek answered if you look at the revenue for all of the food permits and it is sometimes reflected by class on that sheet but the revenues all total up to what we project to be \$121,000. We grouped them all under one revenue item.

Alderman Levasseur asked as far as the vending for the civic center, we talked about that in Accounts but we didn't come up with a number or an amount of permits. Do you have some sort of projection for us on that?

Mr. Rusczek answered we have been working on it in house to make sure that the permit fee would cover our expenses. It is going to be higher than any other classification you see there. If I was to take a ballpark stab at it, I think we will be somewhere in the range of about \$700 or so. We have done two things. One of them is we are looking at what our costs will be with projected inspections and secondly we are calling around to other vendors in New England to see what they charge.

Alderman Levasseur asked how many do you figure you are going to be getting maybe 50 of those.

Mr. Rusczek replied you mean the permits on the outside of the civic center.

Alderman Levasseur responded yes.

Mr. Rusczek stated for those we haven't come up with any...we have a current classification for mobile food vendors that technically they would fall under if they were outside the civic center. That would be the same as say a canteen truck.

Alderman Levasseur asked but you haven't put that into your projections for this budget.

Mr. Rusczek answered no.

Alderman Levasseur asked you do expect to be bringing that number in, I would imagine, rather shortly before June or so.

Mr. Rusczek answered yes.

Alderman Gatsas stated what portion of the budget is community health.

Mr. Rusczek replied it is 4105.

Alderman Gatsas asked why is there a 34% increase in wages in that department.

Mr. Rusczek answered what we did was collapse, for supervision purposes, we collapsed the former Division of Dental Health into the Community Health Program. If you look at sheet 69, Dental Health, you will see that there is nothing requested for dental health for next year.

Alderman Gatsas asked but that is \$97,000 and this is \$130,000. I assume that is including benefits and everything else in that \$97,000.

Mr. Rusczek answered right. That is the bulk of it. The rest of it is probably somewhat made up in staff increases. I can't think of any other major changes off hand. We did some shifting around and we have some additional revenue to support some increased cost within Community Health around some additional TB work. That makes up probably some of the additional \$50,000 increase in the Community Health Division.

Alderman Wihby asked Howard Tawney for two things for tomorrow night. We had \$205,000 in health insurance that was divided up by the departments. There were two numbers. One was in the reserve in your department and there was \$205,000 in all the other departments. Can you give me those numbers so it adds up to \$205,000 and which departments they were in? The second thing is the salary adjustment account that the Mayor gave of \$630,000, can you give me that number and what it is in each department. Thank you.

Chairman Cashin called for a recess.

Chairman Cashin called the meeting back to order.

Library

Mr. Brisbin stated thank you for the opportunity to come before you. We would like to take a look at our mission statement. The Manchester City Library's mission is to be a professionally run, user-friendly and adequately funded information center for all of the citizens of Manchester. The Library shall provide sufficient learning and leisure materials in automated and non-automated formats and mirroring the world of knowledge to serve the diversity of Manchester's information seekers. The Library shall provide adult literacy, job information and programs for children and adults. It acknowledges its leadership role in the maintenance of free speech, thought and expression. Our first goal is to continue rebuilding the Library's book collection and to enhance Internet service. You can see our objectives are to purchase the best books and services at the steepest discount prices to process or initiate these quickly for a customer; to have cheerful, accurate service at point of request and our normal measures of achievement are to take a look at year over year circulation, year over year reference transaction and year over year Internet and subscription database use. Looking at FY99 versus FY00, we have gone up in those three categories and we have in the last several years, but between FY99 and FY00 we went up 7% in circulation. We are now at 378,000 or a little bit better. In reference we are at almost 79,000 reference questions per year and that is a 6% increase year over year. In website hits, it is an incredible 49% increase from 32,000 to almost 49,000. So, people are coming to us from home and office a whole lot more and they are browsing our collection, they are reserving materials, they are using self-renewal from home or office and they are also using our subscription databases. We have nine public Internet workstations at the main branch and three at west so that is a dozen across the City. For the next year we have some wonderful things that are going to happen. One of which is cost free, that is the express work station so there is one workstation at which you can walk into the main branch and you don't have to have an appointment and there is no waiting 15 minutes. You can just go up and use it if no one is in front of you. We also have smart access manager software, which is coming and that is out of CIP FY98 funds so it doesn't take way from the FY02 operating budget at all. Taxpayers will be able to sign themselves up for time on the library workstations and they will be able to see their time elapse on their appointments and we will be able to keep statistics. The software keeps its own statistics of usage too, which is helpful to us. All public PC's will get Windows 2000 and again that is from the FY98 CIP grant. There will be a new array of databases, which you can use again from home, office or from any of the workstations in the library. They include Novell Lists, which is a wonderful database to help you chose fiction, to help you browse subjects, to browse by genre if you like mysteries or romance or biography or history and to review lists of award winning fiction. Ebskill Magazine Index where you can get many full text articles again right from home as long as you are a library cardholder. Reference USA, which is detailed information from about 12 million US businesses and it is great for anyone looking for phone numbers or addresses of

friends or relatives, for sales people looking for leads for conducting market research, entrepreneurs. We have the Gale Literature Database for anybody that is taking any kind of literature course – high school or college and the Gale Student Resource Center, which supports school curriculum, grades 5-12. Those are wonderful things. We don't have a separate line for those. Those come out of our book budget, as limited as those book funds are. That leads me into books. Though our Internet service is bustling, we are still basically about books. We thought about what the Aldermen said to us last year, particularly Alderman Levasseur but also Alderman O'Neil. We took a long view and realized that we would have to take three or four years to reach our goal of \$5 per capita, not just one year, so in our FY02 request we asked for that book line to be moved up from \$181,000 to \$225,000. That is what we asked for but in accommodating the Mayor's cuts we had to take \$55,000 away from FY01 level funding and \$31,000 of that had to come out of books. We not only had to come back to the reality of \$181,000, but we have to go below it to \$150,000. That hit was the biggest in books in the 10 years that I have been presenting budgets here but there was nowhere else to cut from. The Library doesn't have flexible lines beyond books and magazines and the things that we are in business to provide the taxpayers. Most of our budget is salary for staff who serve taxpayers six days and four evenings a week. Then there are utilities and other fixed costs. At the \$181,000 level before the cut, Manchester had the lowest per capita expenditure for library books among urban public libraries in New Hampshire. I have been showing these statistics for some years and this year it is the same. You can see...this is just New Hampshire and it is just local public funding for local public libraries. We have Portsmouth at \$5, Merrimack at \$5, Salem at \$4 and even Claremont and Derry are at \$3 and \$2 respectively. They have been building their collections at that level for years and we have been struggling. For the latter half of the 1980's, we were at \$1 per capita or \$100,000. During the recession years it dipped even below that and we have worked hard, both the BMA and ourselves, to try and get it up and we have gotten it up to \$181,000, but again this is kind of devastating that if we have to endure the Mayor's cuts and no more than that it is at \$150,000. Our second goal was to design the Brown School and we had originally...that is out of the CIP budget but we had originally asked for the \$175,000 from FY02 CIP to cover that design. With the CIP Committee and BMA approval, we had hoped to design and then to build in FY03 and finish in FY04 but two things happened. We did scale back. Originally we had a \$4.9 million estimate of cost of renovation and we did listen to the Aldermen last year and went back to the drawing board and found a way we could do it for \$2.8 million so it had been our intention to do that design, the \$2.8 million renovation project and then the next two years to build it but two things happened. The City bonding limit was reduced in FY02. Many projects are on hold, as we know. At the same time, Mayor Baines asked us to consider an enhanced partnership with MCTV and Information Systems making this more of a citywide technology center. We are doing that, but

it is delaying the conclusion of our study and we went to the Trustees and they decided that it would be a good idea to wait until we had a plan that you could really back and we had gone before the CIP Committee and before this group and had something you could truly endorse before we could design. Our revised plan is to design and then build the first half in FY03 and conclude in FY04. Our third goal was to repaint and reset the front steps of the main library. They are in sad shape. They are swelling, lifting and coming loose. Parts of the front sidewalk are sinking. Mortar has disintegrated from the sides of the front entryway. Stones are separating and acid rain damage is evident, especially at the foundation level and an elderly woman a few months ago took a fall there. We have had Building Maintenance Division patch it. There is not a safety concern at this moment. We had hoped to do that work and had an estimate from Tom Rousseau, a mason, for a little bit under \$70,000. That did not get picked up. We will come back next year and make sure that there are no safety concerns this year on that. We had also wanted to do a space study of the main library. We have been maxed out space wise at the main library for years. Closets and janitorial spaces are used as offices. Reading rooms are full of bookshelves. There isn't space enough for taxpayers to sit and read. There is no quiet reading space and no computer classroom. The children's room is the old basement coal room, which was not the intention of Mr. & Mrs. Carpenter in the early 1900's, they are the benefactors. Their intention was to give the children prime space. Libraries of course these days have a lot more services than they did in 1913 when the building was built. We have all kinds of workstations, reader printers, and CD-ROM network and just do not have space to put it in. We had hoped to get \$15,000 from CIP and to match it with \$15,000 from the Foundation. That is what we did with the Brown School and did not get that funding either so we will come back next year on that. There is our total budget. You can see how it has grown. The Library's expense budget has increased from \$2.2 million in FY00 to \$2.35 million in FY01 to almost \$2.6 million within our request but back to \$2.4 million with the Mayor's numbers. Salary and benefits for our steady 40 FTE's accounts for most of the rise, although when you look at FY02 that does include our requested new positions. We requested one Librarian I who would serve teenagers and do programs and publicity and special circulation projects and we also asked for reinstatement of the two literacy people. A halftime person and quarter time person. So those you do see in the FY02 request. You can see that most of the increases are in salaries and benefits and I am sure you are seeing that with all of the other departments. The Mayor's proposed figure gives us a 4% increase over FY01. That is true in dollars but it is deceiving because ballooning benefit costs are accommodated by cutting deep into our operating lines and we had to cut 11% under FY01 levels to be able to give back that \$55,259. As I said, \$31,000 of that came out of books. You will notice we have capital outlay, hardly anything in FY00. There was \$25,000. We had nothing for FY01 and in FY02 in order to give back that money we had to wipe out capital outlay again so no furniture and equipment for two

years in a row and we have the same problem with trust funds. Our library trust funds don't allow for furniture and equipment this year either. If fully funded the Library would help teens with a person dedicated to assisting them with publicized library services in a much more professional manner. We would teach needy Manchester adults to read. We would have good funding for that program instead of leap frogging from grant to grant and hoping that we can continue the program, which is the state of things now. We would answer taxpayer demand for new books and magazines, their true demand. We would build the collections the way we know we need to build them. We would continue mailings and security guard coverage at current levels. Those are two of our operating lines that we did ask for a slight increase in. Mailings was just \$150 and security guard coverage was just to cover the salary increase for each of the two guards. There are not two guards on at a time, there is only one but they do cover our long days and evenings and Saturdays as well. We would refinish our 1913 oak reading tables, replace mismatched chairs, purchase display hardware for magazines, uniform signs for the building...you can see that we have renovated room by room and have a gorgeous main library building. We do need uniform signs for it. We would design library space for 20,000 West Manchester citizens and assess main library space needs. That is with full funding. With the Mayor's figures and no deeper cuts, we will have no librarian dedicated to teenagers, even part-time. We will have no individual part-time to do outreach programs and publicity. This is about the fourth year that we have asked for this position, but we will continue to serve teens naturally in the normal flow of things and we will cover the rest catch as catch can. We will continue with shaky funding for adult literacy. Grant sources just don't want to pay stipends even for managing volunteers. We got a Bean Grant this year, but Bean stipulated in the award that we needed to renew our request for City support. The program is seven years old and did have City support for four months before the FY01 hiring freeze. With the Mayor's cuts and none deeper, we will make taxpayers pay more for their own reading materials. We will make them buy more of their own magazine subscriptions. The Mayor's figures forced our periodicals line down \$4,000 below level funding. We had asked for a \$2,500 increase in that line just to cover the cost of inflation, which is 10% a year so we will need to cut dozens of titles. We will make up most of the \$150 of our requested increase in the postage line with the growing popularity of self-renewal via our webpage. Security guard coverage is a question mark. The City RFP is going out. It is quite likely that new contract costs will be higher. The \$4,970 requested increase in that line, most of which we preserved from the Mayor's cut because it is that important, may not yield the same level of service. There has been a shooting, arson, lethal weapons issues, drug sales and property theft issues at or near the library in the past year and a half. Taxpayers cannot afford to lose the good guards they have. They must have a level of safety in the library. Taxpayers will continue being served with some mismatched chairs and tables and benches in need of refurbishment and they will see delays in attention to

space needs issues. Additionally, we had to cut...and even that doesn't cover all that we needed to cut to come in under the Mayor's numbers. We did need to cut from fuel and electricity. We hope that we will have enough to cover...we think we will, freight got zeroed out but if we don't have furniture and equipment we don't have freight for it. Some books do require freight and we will have to take it out of the book line item. In the 531 telephone line, we are going to select DSL over an expensive 384 frame relay line and that should make the telephone line item doable, although those switching to the cheaper means of telecommunications are having some growing pains. It is hoped that this will be a fortunate cost savings and the taxpayers won't lose anything in phone or telecommunications connections for the library. Federal government reimburses telecommunications or e-rate costs from this line and we get from \$3,000 to \$4,000 in reimbursements annually and that is a help. Supplies take a hit. \$2,500 so again taxpayers will have less in that way. We have wiped out minor apparatus and tools, custodial supplies, and also printing and binding. That is cut in half and it was only \$4,000 to start with. We will have hardly anything for brochures, for rebinding or worn, out-of-print or historical materials. Staff development loses a full 25%. That is with the Mayor's figures and none deeper. If we cut below that, we will have to offer even less new materials or services and the only way to reduce it is to reduce hours of operation or to provide less coverage at public desks. We have expressed to you what user expectations in comparative NH standards are. We have let you know how we have already squeezed what we could and cut some of what we can't to make that fit into the frame of affordability in terms of the Mayor's numbers. If we ask for help from the Board of Aldermen at this time it would be for \$55,259 to restore our operating lines to the FY01 level and just half of the capital outlay request and that is \$21,328. Together, those two are \$76,500. As I said we had no capital outlay last year. We don't have any hope from trust funds this year in the way of furniture and equipment so that is what we would ask for. Anything beyond that would go right into books and that is our main duty and our number one goal to feed that collection and make it grow the way it should for the present and future of Manchester. It is going to be an unusually tough year but we will give taxpayers cheerful, accurate service at point of request. We will give them as many new materials as reduced budgets and greatest discounts allow and we will give a broader range of electronic information to in library and remote customers. Thank you.

Mr. Robinson stated I have good news for you. You may or may not be aware but the security contract or the administration of the security contract has been shifted to the Human Resource Department so the entire \$45,689 can be reallocated. The \$30,000 that you took from books you can put back.

Mr. Brisbin asked where would security be provided from then.

Mr. Robinson answered Human Resources.

Alderman Wihby stated we have the Mayor's budget in front of us and I would hope that if there are any changes it is now in the hands of the Aldermen so it is not for the Mayor to come to this Board and give us additions or changes. It is up to the Board to decide what we are going to do. I don't think it is fair to let somebody sit there and think okay now we have \$45,000 more when we might just take the \$45,000 and use it ourselves as far as a cut goes if we are not happy with the 7% increase. I would hope that in the future if there is any money found that this Board knows about that and we are the ones telling people whether or not they can spend it. It is our budget.

Chairman Cashin replied I understand that and I don't want to speak for Wayne but he was just informing them that there was money available.

Mr. Robinson responded right and I wanted to let them know that they no longer have the responsibility for contract manpower.

Chairman Cashin stated I think Wayne understands that it is our budget.

Alderman Wihby asked what line item is it.

Alderman Gatsas answered 0591. Why was it moved?

Mr. Robinson replied it was felt that it was better served under Red Robidas to administer the contract.

Alderman Gatsas asked but where is the money coming from. We are supplying manpower to the library but their budget is not reflecting it?

Mr. Robinson answered it was moved under Red Robidas and he is under Human Resources.

Alderman Gatsas asked so the increase is just in Human Resources. Did you find a place to cut it over there? How did you fund it over there?

Alderman Levasseur stated the question is did Red Robidas have that in his line item already and it was just duplicated. If he didn't have it he is going to need the \$45,000 isn't he?

Mr. Robinson replied no. In the Mayor's budget we funded the library operating budget at level funding. They took it upon themselves to cut \$30,000. They did

not know that contract maintenance was no longer their responsibility. They could have zeroed out that line and reallocated those funds.

Alderman Levasseur asked but it is already funded in Human Resources.

Mr. Robinson answered yes.

Alderman Levasseur asked the money is already in that account.

Mr. Robinson answered yes.

Alderman Gatsas asked is that the only place that has happened.

Mr. Robinson answered no I believe the City Clerk's Office also.

Alderman Gatsas asked how much is that.

Clerk Bernier answered \$32,000.

Alderman Wihby asked so there is \$32,000 extra in the City Clerk's budget that he doesn't need.

Mr. Robinson answered no it was taken out of his budget.

Alderman Wihby stated I am confused. The \$45,689 should be a zero and that is why you are saying we can deduct \$45,689.

Mr. Robinson replied if you want to take that from their bottom line, that is your prerogative.

Alderman Wihby asked and out of the City Clerk's budget, that \$32,000 is not in his number.

Mr. Robinson answered correct.

Alderman Wihby asked so we couldn't take it out of the City Clerk's budget.

Mr. Robinson answered technically speaking it is not there. When I say they being the Library, if they had reallocated the \$45,689 to other line items for example books and what have you, you wouldn't have seen it. They didn't have information that the City Clerk had.

Alderman Wihby replied that is what I am saying so the City Clerk had that information so he didn't put it in his budget but the Library didn't know. So it is not anywhere else?

Mr. Robinson answered that is correct.

Alderman Shea asked under your salaries for this year will you have a little bit of money coming back as surplus because you didn't fill all of your spots.

Mr. Brisbin answered yes.

Alderman Shea asked how much do you anticipate having in terms of salary and wages that you had been given but you probably won't be using.

Mr. Brisbin answered about \$150,000.

Alderman Shea asked so you will not be spending that so you will be returning that to the City correct. Now under revenues do you have any revenues at all?

Mr. Brisbin answered replied yes but our revenues are normally used. We have trust funds of course and our trust fund budget for the year is \$57,000 and the fines we have about \$25,000 that we use and those are our normal revenues. The fines are a non-lapsing account. We use those basically for books. It is always part of the pie and part of what we do. Our trust funds are down considerably. They are spent in several different areas but about half of the trust funds income is spent on books and other learning materials.

Alderman Shea stated what I am really interested in is the fines you receive are part of your revenues, which you have indicated are \$20,000 which you then put back into the purchasing of books. Is that correct?

Mr. Brisbin replied we spend from that non-lapsing account to buy books every year. The numbers that I am giving you from the City side are independent of fine purchases or trust fund purchases. In other words, smaller pies.

Alderman Shea asked but revenues that you receive are not reflected in any kind of financial report that you give to the Finance Department.

Mr. Brisbin answered I have a handout of revenues that I can give to you right now if you would like.

Alderman Gatsas stated Wayne I am looking at the City Clerk's budget and contract manpower. That \$30,000 is in there.

Clerk Bernier replied other services is what you should be looking at.

Alderman Gatsas responded that is what I am looking at, contract manpower, 0591 for \$30,000. It is in this budget.

Clerk Bernier stated that \$30,000 is for elections.

Alderman Gatsas asked 0591 is for elections and not security. Where is security then?

Clerk Bernier answered security should have been under Other Services. That is where it was placed the year before.

Mr. Brisbin stated so Alderman Shea on the top sheet there we are going to be spending \$180,000 from City funds for books and we are going to be spending \$32,000...it is actually less than the \$36,377 you see there, \$32,000 out of trust funds for books and other materials and we are going to be spending a little bit less than \$25,000 from fines. This is the case very year. These are all parts of the pie.

Alderman Vaillancourt stated I guess 30 cents of the \$25,000 in fines is mine. That is what I owe right now because of the policy of renewing books every two weeks instead of every four weeks. I am somebody that uses the library on a regular basis and I think it is a service that needs to be provided to the City but like all departments I think it should be run efficiently and I wonder whether this department is running efficiently. Could you tell me...you have 40 full-time employees so would it be accurate to assume that the average salary is approximately \$40,000 per employee with 40 times \$40,000 being \$1.6 million?

Mr. Brisbin replied yes.

Alderman Vaillancourt asked how many of the 106,000 citizens of Manchester would you say use one of the two libraries at least once a year. I ask that because the Fire Department, the Highway Department and the Police Department every citizen of Manchester uses those facilities. I am just wondering how many citizens use your facilities.

Mr. Brisbin answered a little less than half.

Alderman Vaillancourt stated so approximately 52,000 use the library. How many books did you have checked out in the past year?

Mr. Brisbin answered we had 378,000 materials that were checked out.

Alderman Vaillancourt asked how many of those materials were renewed. In other words those are for two weeks or whatever so how many were renewed by the people of Manchester who sometimes would have to wait four or five minutes on the line to get their renewal?

Mr. Brisbin answered I would be happy to tell you but I don't have that figure off the top of my head.

Alderman Vaillancourt replied I would appreciate that because back this past year I sent a couple of communications to you suggesting that we go to a four-week book rental such as other libraries in the state or at least some of them have. You wrote back to me saying that trustees were concerned that the library should not lose revenues by moving to a three-week loan period. Is the purpose of a fine to gain revenues or to make sure that the books are returned promptly?

Mr. Brisbin responded it is both but the fact is that if we are at \$1 per capita or \$1.81 and everyone else is at \$4 or \$5 then every dollar we can put towards books and towards building this largest in the state collection is very, very important.

Alderman Vaillancourt asked but would it make sense if you raise \$25,000 in fines and if, in fact, it requires approximately one full-time employee to renew those you are throwing \$40,000 away to get \$20,000 back plus inconveniencing the citizens of Manchester who have to wait for the renewal. Does that make financial sense?

Mr. Brisbin answered first of all we don't have one full-time person that answers the phone or even the equivalent of that. What we have if you look at 9/10 of the duties of circulation clerks don't have to do with the phone and when they are on the phone they do any number of things including renewals. Also you have a great many citizens who really, really appreciate telephone contact and telephone renewals and they accomplish a great many other things as they are doing that. We also have as I say self-renewal for those people who do not wish to even be bothered to make a telephone call and lots of the people I am sure in your ward and your viewers are very happy with the self-renewal.

Alderman Vaillancourt replied I am not talking about what they are happy with, I am talking about the efficiency of having two weeks versus three or four weeks, which other libraries have. Now you are telling me that instead of doing it just to raise revenue you are doing it so they will have contact with the outside world?

Mr. Brisbin responded our service is for the people and the people do...we try to do more of what the people want so that is an aspect of the way we give service.

Alderman Vaillancourt stated I am not so sure that I believe that should be a function of the library.

Mr. Brisbin stated since we have such a small book budget and since we have been struggling for so long to build up our various areas of the collection to have those that are most in demand gone for longer periods of time really kind of worries us especially with school assignments but not just in school assignments but in many of our non-fiction areas and not just in new books. We don't want to only think in terms of new books. That has been a concern but anyway the survey is out there and we are compiling statistics. The trustees wanted to throw it out to the public at large so they would be able to see is this something that would be helpful to them or only to a minority of people.

Alderman Vaillancourt replied if I might I think it would be helpful to most people not to have to make that renewal call but you do say in one of your letters to me dated January 29 that you would have a problem depleting the non-fiction library. Do you have a breakdown of the 378,000 items that were used last year how many of those would be fiction and how many would be non-fiction. In other words if there is an 80% bulk that could in fact be checked out for four weeks would that not make sense?

Mr. Brisbin responded we do have a breakdown. I could share the breakdown with you if you would like but what we do have is our people who are at the front lines saying the school assignment on X is out and there is two weeks to go and all of our books are already out.

Alderman Vaillancourt stated let's just take that X and put that away from the policy and if we could institute a policy for Y being the ones that there is no demand for. I would like to go to this contention that you constantly make about other libraries in the state per capita. Whether you have a city of 25,000 or 23,000 like Keene or 40,000 in Concord or 100,000 like Manchester, you only need to buy that book once. So, looking at the per capita expense is not as valid as looking at the overall expense that you have to buy books. I mean if we give you in Manchester \$180,000 to buy books you still have more, almost twice as much as Keene, to buy the same books even though the per capita in Manchester is only 1/3 as much as Keene. Where am I wrong in that assessment?

Mr. Brisbin replied we have more users. We have more people who are drawing on those books.

Alderman Vaillancourt asked are you saying that you need to buy four copies of the same new book while Keene would only buy one copy of the same new book.

Mr. Brisbin answered sometimes that happens, yes.

Alderman Vaillancourt replied it does. You are telling this Board that you buy four copies of a new book?

Mr. Brisbin stated what I am telling this Board is we have a McNaughton Plan that allows us to buy multiple copies of high demand items on a contract basis that assists us so that we can keep up with the wave of popularity of new materials. Yes, we do that and then we send them back and obtain others as well so that we don't end up after that wave of popularity with multiple copies on the shelf that are not used.

Alderman Vaillancourt asked of the 378,000 items that were checked out last year, how many were checked out by non-Manchester residents.

Mr. Brisbin answered we can get you that information but we have common borrowers privileges as well with a good many of our local libraries and you know that so how many of our local people went elsewhere to obtain materials.

Alderman Vaillancourt stated I am just asking questions to get information. I sense a certain lack of willingness to answer. It is not a trick question. It is a simple question.

Mr. Brisbin replied we are open six days a week. I am in my office every day. If you want statistical information from us we would be happy to supply it to you but I can't off the top of my head do that.

Alderman Vaillancourt responded I think I asked that in my two letters to you.

Mr. Brisbin stated our trustees are here and they did initiate the survey. They are interested to find out if it would be beneficial to increase the loan period. Perhaps they would like to comment.

Alderman Vaillancourt replied I am not interested in that. What is efficient is efficient for the taxpayers of Manchester and not for the trustees.

Alderman Wihby asked when you have the library book budget and you have all of the different cities on it, do they do the same thing with their book budget. Do they keep the fines in the...

Mr. Brisbin interjected yes it is a state statute.

Alderman Wihby asked so when you are looking at their budget per capita and everything else are you taking into consideration that they have their fines in that total.

Mr. Brisbin answered fines are not included in that. Some of them have trust funds as well and that is not included. This is just local funding and we do this by telephone. We have to ask a lot of yes and no questions to make sure we are getting apples to apples.

Alderman Wihby asked when we add up your per capita based on the trust funds and the fines it comes up to \$2.7 million or something like that but when you are using their numbers, they are not in there either.

Mr. Brisbin answered right.

Alderman Levasseur stated I would like to make a couple of motions here. The Library looks like they are going to come in with a salary surplus of \$135,000 or so. I would like to make the motion like we did with health that we give them \$30,000 right now to get their books but we keep the \$46,000 in the next budget for the tax discount because we already appropriated that money. They are short money for their books and I think we have a healthy surplus coming in and I don't see why it wouldn't be prudent for us to get those books in this budget now and then keep the \$46,000 from the Pinkerton security and take it into account for next year's budget. We just did it for the West Nile Virus and I think we should get these books purchased. We are really actually saving \$10,000 because we just found \$46,000 from the Pinkerton budget and we are giving them \$30,000 to use in this budget now and I think it is the prudent thing to do now.

Alderman Shea duly seconded the motion.

Alderman Wihby stated I am not opposed to giving them the extra money this year I just want to make sure that the Board knows that we are only playing around with numbers. If we take \$50,000 out of fund balance this year, which is what it would fall down to doing the same thing as funding it next year...

Alderman Levasseur asked when you purchase your books, John, is there usually a schedule that you fall on where the price increases will come in after a budget say if you buy it before July 1 then you get a better price than you would if you bought it after July 1. Is that usually how it is done or are they all usually the same price?

Mr. Brisbin answered it is an annual discount that we get for about 43% or 44% off. It will carry through.

Alderman Levasseur asked so you don't mind if you don't get the money from your surplus now and take that money or does it matter to you.

Mr. Brisbin answered it just matters that we get it.

Alderman Hirschmann stated Mr. Brisbin what I would hope the trustees would embrace as a philosophy is that you would try to level fund your book budget before you put new employees on. Rather than cut your \$181,000 book budget down to \$150,000 to squeeze on a new librarian...I mean books are tangible items that the taxpayers want. I believe honestly that if there is a new employee that is going to join the City it should be in the Police Department or someplace where we really need it. A librarian is nice but you have 40 employees and I would rather see tangible books on shelves than a new librarian.

Mr. Brisbin replied we hear your point. There are no new positions within the Mayor's numbers, none. That was our request but that is out.

Alderman Hirschmann asked so the only found money is the \$46,000 from security, which you could apply to your expenses or to the books.

Mr. Brisbin answered yes.

Alderman Thibault stated if you look at the amount of money that they saved this year by not replacing people who have left, which is about \$135,000, that shows that they are already playing with that pretty well I think. I have a few other questions that I would like to ask.

Alderman Vaillancourt stated it shows that they got along without using that this year so they could get along without using it next year.

Alderman Thibault asked in both libraries presently how many workstations do you have and what is the waiting time to use them.

Mr. Brisbin answered we have nine workstations in the main branch and three at West. Sometimes there is a waiting period and we have to reduce it so that you are only able to use it one hour per day per patron except for the express workstation that I mentioned at the top of my presentation. They are busy. It is a real great use of the library these days.

Alderman Thibault stated another thing that I would like this Board to be aware of is although, as Alderman Vaillancourt brought up a few minutes ago, how many citizens in Manchester use the library. You have to remember that in Manchester we service students in Bedford, Hooksett, Auburn and all of these other areas and

some of these kinds come to our library when they need something because they just don't have what they need from their own libraries. When you look at the population here of 100,000 if you figure the amount of children from the other communities that we serve in our schools, that increases that 100,000 by a quite a bit in my opinion. I don't know if I am right about that.

Alderman Pariseau asked are you saying we should charge those towns for using our library.

Alderman Thibault answered I don't know maybe we should or maybe we should charge the school district because if, in fact, they are getting school assignments and they need to go to the library and if their library can't provide them what they need and they have to come to Manchester...

Chairman Cashin asked the Committee if they would table the motion and refer it to the budget. The West Nile was something that we had to appropriate this evening to get it done and I don't want to set a precedent here. It can be referred to our budget and we can discuss it at length.

Alderman Levasseur withdrew his motion. Alderman Shea withdrew his second.

Alderman Gatsas asked how many positions were unfunded or not filled this year.

Mr. Brisbin answered at times we were four or five people down. We were down two in technical services for most of the year and two in circulation for half the year and it was an incredible struggle. We beat a path back and forth to the HR Committee trying to get these things unfrozen and Wayne can attest to how often we were at the Mayor's Office to try to get a green light for hiring. People did suffer an incredible amount. It is not that we did it this year so that we could do it next year. We really did have a difficult time holding services together. At the beginning of the fiscal year we were not able to be open Tuesday evenings for example.

Alderman Gatsas asked have they been unfrozen.

Mr. Brisbin answered there is one that is still frozen in technical services and there is a Page position still frozen.

Alderman Gatsas asked how many were frozen.

Mr. Brisbin answered seven through the course of the year.

Alderman Gatsas asked when you say during the course of the year they were frozen from the beginning of the year.

Mr. Brisbin answered no they were frozen throughout the year but we began with some of the positions frozen at the beginning of the year and got permission to fill those and other people left or retired and we had to go through the process again.

Alderman Gatsas asked so you had seven frozen through the course of the year but they were rotating frozen.

Mr. Brisbin answered for the most part. We have had one position that has been frozen for the whole year.

Alderman Gatsas asked when were the last positions unfrozen.

Mr. Brisbin answered about a month ago.

Alderman Gatsas asked have you filled them.

Mr. Brisbin answered yes we filled that position from within and we have one position in circulation that we desperately need filled and we have been told by the Mayor's Office that if the budget doesn't take it away from us we can fill that as well.

Alderman Gatsas asked what about the position that you filled from within. Have you filled that one or is it still vacant?

Mr. Brisbin answered one of the positions we filled with a temporary employee.

Alderman Gatsas asked because you couldn't find a full-time permanent employee or was it frozen or unfrozen.

Mr. Brisbin answered we had one person go out on leave and we needed to fill the position temporarily until the person returns.

Alderman Gatsas asked so the \$135,000 that you are going to be in excess in your budget for wages, you are saying that for next year you are going to fully fund those positions. Are they all unfrozen?

Mr. Brisbin answered we hope to. We also had people out on disability. We had three people out on disability. One of them was collecting worker's compensation because the injury occurred on the job and the other two were injured off the job and their sick time didn't cover the full amount of time.

Alderman Gatsas asked what kind of injury did you have on the job.

Mr. Brisbin answered carpal tunnel.

Alderman Clancy asked, John, now that the summer weather is coming are you going to scale back to your summer hours.

Mr. Brisbin answered yes. We have our normal summer hours. We are not open Saturdays after the middle of June. We are still open Monday, Tuesday and Thursday nights.

Alderman Clancy stated you know that the library is not air conditioned so when the hot weather is here everybody is out in their pools and backyards so there is no need to keep the library open four nights a week is it.

Mr. Brisbin replied it is open three nights a week at the main branch and one night at the West Side branch. Let me tell you there are a whole lot of libraries that are going to Sunday hours. I am the Chairperson of Urban Library Directors in New Hampshire and that was our topic last month – increased hours. People are just dying for Sunday hours and many people are open Saturdays year round. We are asked about that all the time. Tim Reiniger used to ask us that every year.

Alderman Clancy asked do you actually think it is feasible to stay open on a Saturday when you will probably only get three or four customers on a hot day.

Mr. Brisbin answered it isn't but I think what is more helpful for the patrons is if you are open for a few hours on Saturdays in the summer so at least they can get their materials back and then head to the beach.

Alderman Clancy asked so are you talking 10 AM until 12 PM or something like that.

Mr. Brisbin answered yes.

Alderman Wihby stated I want to go back to the staffing levels. You had a position that was frozen and you ended up filling that temporarily?

Mr. Brisbin replied we had a position in technical services that was frozen and we had an individual at the West branch who was acting as a clerk but had a four year degree and he was available for the position when we unfroze it and he is in the middle of library school and is an excellent candidate so he moved into it.

Alderman Wihby responded I thought you said it was frozen.

Mr. Brisbin replied it was unfrozen. As a matter of fact it was frozen and unfrozen a couple of times. We had a candidate that we were ready to award the job to and he said the commute was too long for him and then we had to go and rejustify it again.

Alderman Wihby asked are you telling me that if a full-time position is frozen you are supposed to go the Mayor and ask for permission to unfreeze it and is there any way that you can fill that position even temporarily without going to the Mayor.

Mr. Brisbin answered no.

Alderman Wihby asked even if you wanted to fill it temporarily you still have to go to the Mayor's Office.

Mr. Brisbin answered yes. Even page positions, which are part-time temporary help and mostly high school students, we have to justify and rejustify to get them unfrozen.

Alderman Wihby asked now you have one position that has been unfilled all year.

Mr. Brisbin answered yes.

Alderman Wihby stated what I heard you say was it was unfilled all year whether you needed it or not and we can figure well you didn't have it all year so you don't need it next year and you are willing if this Board comes back and asks for a 1%, 2% or 3% cut that that is the first thing you are going to give up.

Mr. Brisbin answered no. I was here with Denise Vanzanten when we finally got that position okayed and believe me she has suffered incredibly. First of all that is a six-person department and that is what we worked on. In the early years when I was here we worked on getting new books to people quickly. It takes the six-person team that we have in technical services to do that. She was down to four and going completely nuts.

Alderman Wihby asked so if we told you that we were going to cut your budget 3%...or say \$60,000 or 2%, what are you going to do. Are you going to still fill that position even though it has been vacant all year?

Mr. Brisbin answered we are going to have to provide some relief to that group somehow and we are also going to have to be obedient to the will of this Board. We know that.

Alderman Wihby asked knowing that you have these old vacancies and everything else that happened this year, to the tune of how much are you figuring on salaries - \$135,000. Do you anticipate that you will be able to use some of that money in the course of that year to fill that position but still be able to come up with the \$60,000 because you know you are going to have these fluctuations in hiring.

Mr. Brisbin answered sometimes you have very little fluctuation in a year and sometimes you have a great deal. We just went through a lot of disabilities this year. We have no way of knowing.

Alderman Wihby asked would you be able to get half of what you had this year. Do you foresee having \$60,000 leftover because of the opening.

Mr. Brisbin answered that is a finger in the wind. I don't know.

Alderman Wihby asked so you wouldn't budget it that way then where would you make the \$60,000 cut. I just heard you tell Alderman Hirschmann that you weren't going to cut books.

Mr. Brisbin answered let me tell you. The first year that I came in what Mr. Hallohan decided to do instead of lay-off an individual was to lay-off all of the pages. That was a decision that he made and I had to live with and I saw how devastating that was. We had to curtail hours slightly and put everyone to work shelving books. It is either that or it is laying off an individual.

Alderman Wihby asked why lay-off when the position isn't filled.

Mr. Brisbin answered or not fill but somehow I have to give relief to that group because they are not going to be able to go on. They spent a whole year looking for hope and looking for some end to the burden. We are going to have to answer that as managers somehow.

Alderman Shea asked when you speak of frozen, I am thinking of the frozen four you know, the ice. What you really mean is that jobs really are not filled. Somebody leaves and then a person isn't rehired until you get permission from the Human Resources Department or someone else.

Mr. Brisbin answered that is correct.

Alderman Shea stated I think in recent months though there were combinations of functions. I think you were combining certain staff members into duplicate types of responsibilities which I think has been a plus for your particular department as it were and I think that is one of the considerations if you could explain that.

Mr. Brisbin stated within the Technical Services Department there were two Library Clerk positions and an Accounting Clerk position and we created three Office Assistant positions to spread out the work between the three individuals instead of having them be specialized.

Alderman Shea stated and I am sure that accounted for some of the savings that you were able to have because those were not filled.

Mr. Brisbin replied one of those three is the one that is still not filled.

Alderman Vaillancourt stated I look forward to the data that you promised to get to me and I would also like to say that I would appreciate, as I am sure the citizens of Manchester would, the Sunday hours that the library could be open. However, I assume you would try to come back for more money for that and I think you could accomplish that by juggling some of the hours that your people currently work. So I look forward to the day when the library can be open on Sunday without any further cost.

Chairman Cashin asked Mr. Brisbin to introduce the Library Trustees.

Mr. Brisbin stated this is our Chairman of the Board, Roger Duhaime and Scott Ellison, one of our new trustees. Scott is an attorney with Devine Millimet and Roger is at Citizen's Bank.

Chairman Cashin called for a recess.

Chairman Cashin called the meeting back to order.

Alderman Wihby stated while we are waiting I would like to speak. I have some concerns and I meant to bring them up at the last meeting before today's School Board meeting but I understand in reading the newspaper that the School Department is looking into making a different arrangement with the Administration building and they are looking at paying in the Mayor's number \$850,000 this year to take care of their deficit and make it over two years and yet at the same time I don't remember funding any administration building change in this year's budget where they are taking out \$300,000 or \$400,000 or \$500,000 to make this move. I guess when you read the paper they are talking about renting somewhere else or using French Hall or doing something and we haven't even had

that discussion with anybody. I understand that they are voting tonight to say what should happen. I personally think that they ought to stay where they are. The reason why they want to move isn't to take care of the children in Central it is because they are getting too big for their building in administration. They should get the portables over at Central and use those temporarily. That will save us some money in the long run as far as what we would have to come up with initially if they were going to move and from there start buying property or doing something at Central so that they can put on an addition but I would rather see an addition put on at Central than funding \$300,000 to \$500,000 and having the administration move somewhere and stick kids at the administration building where if it is not good enough for administration it shouldn't be good enough for the children.

Alderman Shea asked how much are the portables going to cost to rent and how many do they have to rent.

Alderman Wihby answered I don't know. I think one of the proposals they were looking at was three, four or five portables and they didn't want to go that route.

Alderman Shea asked was that in the budget.

Alderman Wihby answered I don't know what is in there budget. I know that renting is not in the budget for the school administration. If they had come to us and made a proposal saying we want to have portables set-up, we would do the same thing that we did for McLaughlin and say no to portables and put on an addition but we have never been given that opportunity. They are voting to move and again I think it is to make everybody think it is overcrowding at Central and they want to take care of that so they are willing to move their headquarters when the space that they are giving them is not going to be used for anything that is productive. I think with the portables there for a year while they start putting on an addition is a much better direction to go then going and renting somewhere else.

Alderman Levasseur stated I understand where Alderman Wihby is going with this and it is something that I have been giving a lot of thought to over the last year. I really don't think that we should be sticking high school students in portables. I don't even like to stick any of the children that we have in the City in portables and the one thing that I thought that we would fight against the hardest and I thought some of the best movement we have made on this Board is that we have eliminated portables and done additions at other schools. I think that we should not allow them to go into any building where it is going to cost them money. I think they should go to French Hall. We own the building. We already own it. I think we should give them temporary headquarters, the children, at the Ash Street

School. I just cannot foresee us sticking high school students in portables. I think they should start a plan right now to start that addition as soon as possible.

Alderman Wihby stated I am not saying that we should stick them in portables forever. I am saying that they should stay where they are to save the \$300,000 or \$400,000, buy the portables for this year and start purchasing that property right now so they put on the addition right away but in the meantime not spend \$300,000 or \$400,000 to move themselves out of the administration building. We can put that money toward the portables for the one year and in the meantime put that addition on and get it done by the following season.

Alderman Lopez stated I agree sort of with Alderman Wihby but I was at the School Board meeting and I would rather wait until the final recommendation does come in because they spoke of and I think Alderman Shea was there also when they spoke of alternative education and special education at that building. I would rather wait until they come in and let us know what they are going to do.

Alderman Levasseur stated I agree with Alderman Wihby that it would be nice to do a temporary measure but I think those portables have always been a temporary solution and they are still there. I don't believe for one second that if we give them portables this year those things will be gone in one year's time.

Alderman Vaillancourt stated there is one way to guarantee that the portables will be gone. Instead of putting the students in the portables, let's put the administration in the portables.

Parks, Recreation & Cemetery

Mr. Ludwig stated with me here today is Rick Riddle, Business Service Officer; Ron Johnson who is afraid to come up here; Judy Aaron from our Cemetery Division who runs the office over there; Jerry Coulter who runs the Cemetery Division and Edwin Elowitz, our Recreation Enterprise Manager. With that being said, we had actually prepared an abbreviated version to what I supplied the Aldermen with. I believe everybody got our packet last Friday with a cover letter. This is not what we had anticipated. We just eliminated some of these slides in an effort to try to make things quicker so given that and seeing that we are not going to be able to use the PowerPoint presentation as a result of equipment failure, if everyone refers to that document I will quickly run through it and try to be brief and skip some areas that I think are pretty much self-explanatory as it relates to the department. The mission statement there is no reason for me to read that. Is everybody with me here? Goals and objectives. Again, that is pretty much self-explanatory. What we felt were additional space needs, create new recreation enterprise fund revenue sources and provide adequate facility maintenance. This

is an overall department organization chart, which shows our 61.5 employees, which is our complement of full time employees right now in all divisions of the department. That does not include our part-time people, swimming pool people and Fun in the Sun people. The Parks Division is a division, which basically maintains the 1,200 acres of park land that is contained throughout the City; 55,000 street trees, etc. They maintain our athletic facilities, the tennis courts and everything that you see including playgrounds throughout the City. Several people in this group also do crossover work in that they do some school athletic related activities that would be considered school chargebacks and that is why it has somewhat of an effect on the budget. The Cemetery Division as you can see has the Cemetery Supervisor one down from the Parks Operation Manager, Jerry Coulter and about 17 full-time employees there. General fund budget you can see that the Mayor has identified a number of \$3,402,633. We are actually recommending a number of \$3,586,599, which is about \$183,000 difference and I will get to some of those particulars and entertain questions beyond that. The Parks budget perspective basically shows that it represents 3.3% of the non-education budget. The Mayor recommends an increase of 5% for parks versus what we feel was about a 7.7% general fund increase in total. The same increase in general fund as a whole would provide \$86,000 for capital items. Comparative budgets. Over the years you can see how salaries have increased. Restricted items have pretty much remained flat and the operating budget just about flat as well. This is an area of great concern in that the next slide will show you that in the Year 2000 salaries were at the 54% level portion of our budget and operating was 29% with restricted being 17%. The Mayor's number this year increases that to 60% for salaries but reduces by 5% our operating and this is a fairly large hit as it relates to us trying to be able to maintain our facilities within the confines of this operating number. Our recommendation on the next pie chart indicates that it brings it back more in line to what we were in FY00. It says salaries would be funded at 56%, operating is 28% and restricted at 16%. This was a slide that again we had eliminated. It is just a budget by function as it relates to administration, parks, pools, cemetery, school site maintenance, fleet maintenance and the totals for that and at the bottom you will see the revenue number. We had some additional information for you. This is the revenue budget over the year. You can see that in FY01 the number is down a little bit but we see it starting to come up where we have some additional niches available at the cemetery and for whatever reason, I am not quite sure, we have seen an increase in the sale of lots and graves and again you have to keep in mind that there are only a percentage of those lots and grave sales that effectively go back into the general fund and not back into the total. Some goes back into the trust, about 80% in some cases, where things like niches and crypts are 100% back into the general fund. Service needs, of course, you can see we had a nice slide prepared here to improve the workforce morale and productivity, perform adequate maintenance of facilities and I think that this is the thing that you see coming through more and more that there is a real need for.

We are making a huge investment in our parks and playgrounds and all of our facilities over a period of time and I think it is a really good investment. By not going out and protecting that investment by providing adequate maintenance, is certainly a travesty to some degree in that things break and our response time to go out there and fix playgrounds is not what it should be. That is unfortunate. I am a maintenance person and I like to see things maintained properly. Again, the third one is to provide open space. That, as well, keeps coming up. That kind of goes to South Manchester and things that we would like to be able to expand down in that area because there is a real need in the southern tier and a lack of recreational space down there. Lack of funding would mean a reduction in basic services, reduction in preventive maintenance, which leads to accelerated need for capital improvement. Again, we do it over and over and over and another \$1 million invested. Inability to meet reduction and elimination of programs. Inability to meet community needs for open space again. Basically what we are saying here in the Mayor's projected number of \$3,402,599 is that these are the items that we could basically if we are level funded, which he is recommending, that we could locate in our special project number. Again, there is about \$9,900 for fertilizer and grub control. This is at the cemetery and this is just an unfortunate thing where as some lawns get hit with an infestation of this kind of insect and whatever and without this kind of herbicide applied people's graves and lots just don't look very attractive. It sounds like a large amount of money but people really want to see their turf maintained properly. Is everybody with me? We are on Page 17. The remainder of the items to make up the \$40,000 are special projects. The way we divide it up is not necessarily... I mean this kind of goes to life and safety. The cemetery pump house, again that goes to an issue where we want the lawn down there to stay green. The people are paying for a service and we feel that it is a necessity to do that. The Raco Theodore electrical work is in a pit, which quite frankly is one step above what the Titanic looks like down there. It is in real tough shape. Hunt's bathhouse roof just has to be patched to maintain the structural integrity of it. The Hunt filter elements probably don't mean much to you but we can't run the system at Hunt's Pool without those. So, I guess what this is showing is this is kind of an unfortunate way for us to have to spend our capital dollars but there is no other way for us to go with the money that is being allocated under the Mayor's recommended budget. In the equipment line item, this gets us one lawnmower, a couple of vacuums to keep the pools clean for the summer, chlorinating boards and those are just boards that run the chlorine levels into the pools, a leaf vacuum for the Parks Division and portable bleachers. This is an item that we have had several request for over the years and we never buy any. These are for leagues and organizations that want portable bleachers that are about \$1,800 a set or so. We basically keep telling them to buy their own and said it is time to step to the plate and try to fund something in that regard for some of the Little Leagues and organizations that basically do a majority of their own funding. Equipment that is not funded on Slide 19, we would be looking to replace a

cemetery ditch witch, which is a very old piece of equipment that puts in irrigation lines and digs trenches. We just about killed the machine over at West Memorial Field putting in some extra drainage lines over there. That just about finished it. Our tree work chipper we are recommending at \$30,000. The loader that we moved from the Parks Division to the Cemetery Division to help us accomplish snow plowing in the winter at Highland Goffes Falls school, McLaughlin school, Green Acres school and it also does work in the cemetery. We lost a snowplow on it this past winter towards the end and we took it out of service for the last month or so and got by but that is an item that we would recommend certainly replacing in that it is important to us. The turf utility vehicle is something that we felt was necessary over at West. It is about a \$6,000 item or maybe a little less if we got a used one or something. One through four are items that we would like to see funded which total about \$71,750 additionally in the equipment line item. The others of course we would like to have but we are trying to be realistic as it relates to dollars available and we understand. On Slide 20 is a continuation of the equipment that is not funded – a one ton roller, desk and chair, and a turf deck mower. Slide 21, special projects not funded would be the school facility color coating. We did a significant amount of this for the School District last year. We kind of went back to all of the grammar schools and all of the elementary schools that have these little hopscotch game board things on them that we have been doing over for about an eight-year period. Some of them were worn off from salt and sand over the years and the kids really like them and enjoy them and I felt that before we drove them all into the ground and they completely disappeared that we would go back and do some of those. We would like to continue doing that project. Pool paint quite frankly, this is...I guess the paint is what holds some of the pools together especially at Livingston. It is a thing that I struggle with because it is a waste but quite frankly it is a safety issue here in that if you don't paint the bottom of the pool...if you look at Livingston right now it has this dark brown color to it so if somebody was lying on the bottom of the pool you would not be able to see them and that is not a good thing. We have been pretty fortunate in this City as it relates to having no accidents and I say that in all honesty. I breathe a sigh of relief when we let the water out of the pool come August every year. However, it is there. The Racó Theodore roof...the total of those two would then come to about \$35,000 which adds about \$106,000 to our total request. Other items that don't get funded as it relates to special projects are Racó Theodore roof. Hopefully down the road we get the big cash to fix the Racó Theodore pool. The whole facility needs some help down the road and maybe that gets done. Future development of cemetery grounds doesn't make it. Livingston fence and gate at \$2,500 and I have believe it or not gotten requests from a group of people at Livingston and Pine Island and some other playgrounds that say they would like to see portable toilets placed at some of our facilities. I am not in total agreement with that, but I thought I would build that into the number. We have some toilet facilities like at Livingston that can be used but this is outside the window and

basically those facilities are always open. Whether the City should take that step to fund such an item in a park quite frankly I am not sure. I would be happy to entertain any thoughts that you gentlemen or ladies may have in that regard. I said that I would put it in there and there it is. Other services that we looked at – as a result of assuming a highway contract several years ago we do some weed control at some of the gateways to the City and different places along Canal Street. We were asked during the budget process a couple of years ago when the weeds were really out to take a look at doing something else maybe with the streets that run perpendicular between Elm and Canal and maybe even on the other side of Elm up to Chestnut so we looked at a number that speaks to about \$20,000 to accomplish that. It could be a little less. I wouldn't anticipate it to be any more. If we go into little specialty areas that people want to see weeds controlled in the number goes up. When we spray on brick, the number doubles. When we spray on concrete it is half. There are issues out there that we create that are unsightly. Some people don't have an issue with it but some people want them taken care of. I think at least in certain areas it has made a difference and it makes the City look like it is a lived in City to some degree. Looking down at some of the line items that we have tried to identify in vehicle repairs it shows that we are maintaining 1,200 acres. We plow 28 school facilities every time there is a snowstorm. The average age of our vehicles is about 11 years. We have actually done okay. We got two new dumptrucks this year. One at the Cemetery and one at Parks. We didn't get to use them for this year but we will have them for next year. We maintain 93 total registrations with an average growth of about 14% a year in expenses. As far as we are concerned in our line item, we are short by about \$15,000 there as it relates to the Mayor's recommended number. Slide 24 was additions to maintain expanded facility. New position – this was one position that we asked for. It was $\frac{3}{4}$ paid for by the service contract to be at West Memorial Field and $\frac{1}{4}$ would then be funded in the general fund. There would actually be an impact in the fund of \$7,266. We also feel that the facility requires or could definitely use a small type of vehicle, whether it is the athletic director that uses it at West field or whoever. A vehicle that could get them around with some of their equipment. Whether we can get that out of the West Memorial budget I am not sure but we threw it in there because we thought it was maybe necessary. The gasoline and diesel, this is just a quick blurb that indicates how much the actual was from FY99 and you can see how the price of gasoline has gone up and we feel that the number necessary for our budget would be an increase of about \$10,400. Fuel oil, obviously we all know in our own homes the price that this has gone up and this slide indicates that number. We would be looking for about \$8,500 in that category. Slide 27 is a salt number. This is up significantly this year. Actually over the past years...through the Highway Department contract we buy our own salt and have it delivered directly to our own garage now because we were running into conflict with the Highway Department. They were running out and we were having some loading difficulties. We do work hand in hand and on special situations they will allow

our trucks to go into the Highway garage and they will help us out and we are charged back for that. For the most part, our salt is all delivered to our own facility on Bridge Street Extension. We built a bin to house it properly and the line item for salt and sand we feel would be up about \$8,900. I am skipping to the back page now or Slide 30, which is the last page in the packet that I provided to you. This is basically just a run down of...the top right hand column is the Mayor's number of \$3,402,633. The middle two columns are identified line item numbers and the amounts to the right which total \$183,966 additional making our amended request of \$3,586,599. That is pretty much the best we could do with the lack of the PowerPoint presentation. We would be happy to entertain any questions that you may have.

Alderman Pariseau stated getting back to the School, you don't show that as a revenue, the \$87,458 school sites. Would that be a chargeback? That is on Page 13. Under that column where you identified it as school sites there is nothing there for revenue.

Mr. Riddle stated it is \$115,000.

Alderman Pariseau asked that should go in that box.

Mr. Riddle answered Wayne included it in his revenue budget under the total contractual services contract, but we did not include it specifically in ours.

Alderman Pariseau asked that was \$115,000.

Mr. Riddle answered that is correct.

Alderman Pariseau asked so then your total revenue on this page should be \$555,850.

Mr. Ludwig stated that is correct.

Alderman Wihby stated on the Enterprise funds, Page 163, it says "reimburse city" and has a figure of \$25,000. What is that?

Mr. Riddle replied that is, we get charged for example by the Human Resource Department for allocated Human Resource time. They charge us for processing payroll and things like that.

Alderman Wihby asked do we know where that goes in our budget.

Mr. Riddle answered I believe it goes into professional services under the charging department I guess.

Alderman Wihby asked it doesn't go under your revenues on the general fund side.

Mr. Riddle answered no.

Alderman Wihby asked so who picks up the \$25,000.

Mr. Riddle answered the charging department.

Alderman Wihby stated you are paying through Human Resources. Do you have that in your budget as a revenue, Howard or do we just lose it.

Mr. Tawney replied I don't have it in my budget.

Alderman Wihby stated it seems like it should be in the Parks Department revenue budget and then you would pay it as an expense. Why wouldn't you have the \$25,000 going into the Parks general fund revenue and then from there allocate the expenses?

Mr. Riddle responded we get billed from the administrative departments in City Hall. Theoretically from Finance, City Solicitor and some other departments. The only one so far that has billed us is the Human Resource Department.

Alderman Wihby stated and they don't count the revenue of it so somebody has to pick up the revenue. You think it should be in their revenue figure?

Mr. Riddle replied I believe so.

Alderman Wihby stated so that is an extra \$25,000, Howard. Do you have any other bills that you are going to get?

Mr. Riddle answered I hope not.

Alderman Lopez stated on line 0271 I am looking at \$600 and then I look at the Mayor's recommendation on your paper and there is nothing. Are you requesting \$6,250?

Mr. Riddle replied we are asking for the line item to be reinstated. The Mayor's Office did not fund staff development, I don't believe, in any of the department's line items.

Alderman Lopez stated I am looking at \$600 that they did on the sheet that you gave me.

Mr. Riddle replied right. That is all we spent so far this year.

Alderman Lopez responded it says the department requests \$600 and the Mayor's recommended is \$600 and now you are saying you want \$6,250.

Mr. Ludwig asked are you referring to the \$615 under the actual column that was spent thus far. Is that where you are?

Alderman Lopez answered no. I am at line item 0271, Staff Development in the documentation you gave us. It says FY02 department budget request was \$600 and the Mayor's recommended was \$600 but then I am looking at the sheet that you provided us and there is nothing there but you are requesting \$6,250. I am just trying to clarify it.

Chairman Cashin asked what page are you on.

Alderman Lopez answered on Page 30.

Mr. Ludwig stated that is what we are requesting, \$6,250.

Alderman Lopez stated you are requesting \$6,250 and you only asked for \$600.

Mr. Riddle replied we asked for \$6,250.

Alderman Lopez asked then this is wrong then.

Mr. Ludwig answered I am not sure where you are getting the \$600 from.

Alderman Lopez replied the budget sheet you gave us tonight.

Mr. Riddle stated the \$6,250 is what we are asking for in the general fund. The \$600 is what we are asking for and what is in the Resolution for the Enterprise fund.

Alderman Lopez asked the contingency fund is the Enterprise fund.

Mr. Riddle answered yes.

Alderman Shea asked, Ron, do you think you are turn back anything thing salary wise this year.

Mr. Ludwig answered yes.

Alderman Shea asked how much do you think you will be turning in.

Mr. Ludwig answered around \$125,000.

Alderman Vaillancourt asked of the 106,000 in Manchester, how many would you say use the Parks & Recreation facilities not including the schools obviously. How many people do you think would avail themselves of the wonderful assets that we have?

Mr. Ludwig answered about 75,000.

Alderman Vaillancourt replied so you are saying three out of four people would use them at least once a year.

Mr. Ludwig responded yes.

Alderman Vaillancourt stated on Page 30, assuming that you had to prioritize I am going to guess that gas, fuel and salt would be your top priorities. Could you give us priorities beyond those three? First of all, would you agree that those are priorities?

Mr. Ludwig answered absolutely.

Alderman Vaillancourt asked and then what would be your next two priorities after that.

Mr. Ludwig answered again that comes back on me as a Director so I would have to go to life and safety issues under capital items is what I would have to do and if I have to eliminate other things like grub control, I guess insects don't count as much a lives around swimming pools.

Alderman Vaillancourt asked which would those be, the special projects.

Mr. Ludwig answered in equipment I would probably be looking at something like chlorinators for swimming pools or I would have to close them...are you speaking to positions or what would be included in what I feel could be...

Alderman Vaillancourt interjected on Page 30 the special requests that you would like to have I have given you the gas, fuel and salt as priorities and I asked you to name two other priorities out of that list assuming we can't do it all.

Mr. Ludwig replied equipment and special projects.

Alderman Vaillancourt stated my colleague to my right points out that you have chosen the two largest dollar amount figures.

Mr. Ludwig replied if you look at what is represented in your packet it is issues around swimming pools. If you want to keep them open and I can call them at a minimum safe.

Alderman Wihby asked on Page 37 of the budget book you have \$300,000 again for "reimburse city". Where does that figure come from? It looks like it is an expense that you reimbursed the City for.

Mr. Ludwig answered that is the money that goes to the Enterprise's revenue.

Mr. Riddle stated it is built within the \$650,000 of school athletic and such.

Alderman Wihby asked are you counting that in your revenue.

Mr. Riddle answered yes.

Alderman Wihby asked where is it in the revenue. Is it from trust funds? Is that the number?

Mr. Riddle answered it is in the Enterprise fund revenues. It is part of the \$650,000 school athletics. It is identified as school athletics. \$715,000 is the number now.

Alderman Wihby asked so you are taking \$300,000 in your expense and you are giving \$300,000 to the \$715,000 to make up the \$715,000.

Mr. Riddle answered that is part of it. The rest gets billed to the School Department.

Alderman Wihby asked so why is not the School paying the whole \$715,000.

Mr. Ludwig answered first of all the School has never paid the actual number any way.

Alderman Wihby asked what is the actual number for next year. Is it \$715,000?

Mr. Ludwig answered for FY02 we will be asking them for...they won't sign anything so I will be sending them a memo on July 2 saying that I am assuming that your budget is now finalized and that you will be paying me \$500,000 next year.

Alderman Wihby asked what is the \$715,000 for. What is the difference?

Mr. Riddle answered we didn't have a number from the School Department so we plugged in I believe \$725,000 right now waiting for not having a number or an agreement from the School Department. It was basically \$300,000 reimbursed from the general fund and \$425,000 billed to the School Department.

Alderman Wihby asked and you are telling me that their bill should be \$500,000 next year.

Mr. Riddle answered we anticipate it to be \$500,000 and we have asked them to put \$500,000 into their budget.

Alderman Wihby asked what is the \$725,000. Isn't that number that is in that column supposedly for what schools should be reimbursing the Enterprise fund for stuff that you have done for them. Shouldn't that number just be the School number?

Mr. Ludwig answered I think you have to go back a little bit in history.

Alderman Wihby stated we had a problem in the past so we are moving forward now. Moving forward, that number should be...

Mr. Ludwig interjected in my opinion the \$300,000 that is being identified in the general fund budget now is a number that we would like to believe is there to offset to some degree...

Alderman Wihby interjected what they don't pay you.

Mr. Ludwig replied that is part of it but hopefully that is going to get taken care of because we are going forward. I believe that number is in the general fund for us to be able to say that we can keep what we need to charge really and truly in the Enterprise for ice and for other services down at a minimum and also we have carried that money from the beginning of the inception of the Enterprise as it relates to generating our debt expense going forward as well.

Alderman Wihby responded I want to correct you on that. When we were doing the different numbers before the School was giving you money to reimburse you for all of the different things you did for them right?

Mr. Ludwig replied yes.

Alderman Wihby stated and we set-up an Enterprise fund so you wouldn't be charging anything from the general fund for the Enterprise fund. It should be taking care of itself. You were either going to raise fees, cut services or do something with whatever money you got from the Enterprise fund. Now it looks like we are subsidizing the Enterprise fund by \$300,000 because maybe you don't want to charge the School District the full amount or maybe they don't want to pay it or whatever but why are we still having to reimburse you \$300,000 if you have an Enterprise fund that generates its own money and expenses? Why do you need \$300,000 from the general fund?

Mr. Ludwig replied we can do all of the things you just recommended as far as increasing fees and have no problem doing that if that is where you would like us to go. What you are saying, Alderman Wihby is all true and it is appearing to look to you and the rest of this Board maybe as a subsidization right now of \$300,000 but you have to look back at what the Enterprise was. A system that I don't think this Board really wants to charge everybody what it should in all cases for all of the services.

Alderman Wihby responded then maybe you spend less. Maybe you accomplish less with what you have. I don't think this Board wanted to subsidize the Enterprise fund. I think we set it up so the Enterprise fund would generate revenue and whatever revenue you generated you would go back into it and keep doing it, not be subsidized by the general fund.

Mr. Ludwig stated that is true but I think that you have to look back and say that the Enterprise fund assumed an average of 30 to 40 year old buildings that were in very poor condition that we are trying to bring back to conditions where they can be lived in and we can make a dollar with and that is not to say make money but just produce revenue. The second thing was that we carried swimming pools in an Enterprise budget at \$1.2 million for five years. That is a big hit.

Alderman Wihby replied if you were saying to me that you needed \$300,000 to do something different and you said to me you wanted \$300,000 for special projects and we plan on using this for certain things, that would have been fine but to put it in here and say that you are subsidizing the Enterprise fund...when we talk Enterprise fund we assume that it is not costing anybody any money. It is not costing the ratepayers any money. Sometimes we don't even meet with the

Enterprise funds because we say it doesn't matter, they generate their own revenue and expenses and as long as they are doing that they don't have to come forward and now all of the sudden I am finding out that there is \$300,000 in the general fund that covers that. So when you go to add people in the Enterprise fund we say it doesn't matter as long as you are generating the revenue. Now all of the sudden \$300,000 of that is from the general fund.

Mr. Ludwig stated but the perspective right now is not exactly the way you are making it. You have to go back to the original \$660,000 that was recommended and there was no way that the department could effectively prove to the School District that it was generating \$660,000 in expenses. There was a decision made by the previous Board and Mayor to say how much do you think because we didn't have work orders and we weren't tying them into work orders like we are now, how much work are you really doing. So put that in there so you don't have to argue with the School District to get your money and we will put the other \$300,000 in the Parks budget and then flow it over there as revenue. That is the way it started. Now one year goes by and two years goes by and three years goes by and we start tracking what the School District really should be charged. There is no concern about not being able to reach that number anymore because we are going by it. Now we have gone by it for three years but the number that we get from the School District stays flat. They are not interested in talking to us about paying any more.

Alderman Wihby asked do you have a calculation. Then you only do the work that the money they are paying you pays for. That is the deal.

Mr. Ludwig answered I understand. I have been told that several times.

Alderman Wihby stated you send them the bill and they pay the bill and if they don't pay the bill you stop giving them services that they need or you stop doing the extra things that they want.

Mr. Ludwig replied if that is the wish of this Board that I stop ice skating on January 21 at the JFK to the high schools I can certainly do that.

Alderman Wihby asked does this \$300,000 for instance get added into their MS90 so that the tuition students are paying the right amount. Probably not. It is on the general fund side.

Mr. Ludwig replied I would think that on the MS90 we do provide the total number...

Mr. Sherman stated the School District is only putting on their MS form what they are appropriated.

Alderman Wihby stated so it is not being counted anywhere as far as the School District goes and yet it is still be counted on the general fund and in the meantime you are still doing work...again if you had come to us and said \$300,000 for special projects that I want to do that is different. This Board could have allocated it and said we don't care, that is what we want to spend because we want to do some of those things but making it look like it is part of the Enterprise fund...

Mr. Ludwig interjected I didn't put it there in the first place.

Alderman Wihby stated well it is there.

Mr. Ludwig replied I understand but that was a decision that was made three or five years ago.

Alderman Wihby asked what happens if we cut that \$300,000 out of there. What are you going to do bill the School District for more money?

Mr. Ludwig answered no. I am tracking the right amount of money that we are billing the School District for. We are assuming and hoping that when their budget is finally settled this year and it is not \$119 million it is \$114 million that they are going to come back to us and they could say and when we talked to them over at McLaughlin School about this they said what you have to understand is that if our budget is cut your budget could be cut. I could do what you said and stop ice-skating and stop them from playing golf and I could stop them from skiing and I could say well we are not going to put up tennis nets...

Alderman Wihby interjected well it is the School Board's authority to make sure that these things are done, not the Aldermen. They have their budget and they live within their budget. They shouldn't be putting all the weight on the Parks Department or on the Aldermen to do that. So when you go back and they say to you we only have \$200,000 then you say fine for \$200,000 I can do this and if you want me to do more let me know and I will bill you for it. If we don't start billing the right amounts, we might as well not even give them a budget and just let them spend whatever they want.

Mr. Ludwig stated we are billing the right amounts but I have no ability other than to go to the extremes that you are suggesting I go to and shut off their services and I can't shut off their water or their electricity.

Alderman Wihby replied maybe if you told them you were going to shut it off they would decide to pay the amount that is necessary or maybe they don't need quite everything that they want to do.

Mr. Ludwig stated I am not crying about it but quite frankly we spend a lot of time just trying to collect the money that they owe us on a quarterly basis and we do bill them pretty much right on schedule. Now short of going over there and holding a gun to their head, which we don't do...

Alderman Cashin interjected just so I understand this you are telling this Board that you are billing them but they are not paying you. Is that right?

Mr. Ludwig replied I am saying and I want to make this clear too, Alderman Cashin, that this year we sat at the McLaughlin Middle School and talked about FY02 and the agreement was... Norm Tanguay asked me what is our bill this year and I said it will be like \$425,000 but the agreement was \$350,000 because when we projected the new number last year they had not interest in talking to us about a higher number. They said we are only giving you \$350,000.

Chairman Cashin asked who projected the \$350,000.

Mr. Ludwig answered no one projected \$350,000. That is the number that they carried right along in their athletic budget.

Chairman Cashin stated just so I understand, they have \$350,000 budgeted for your services and that is all they are going to pay you and you feel that you are giving them \$500,000 worth of services. Is that what you are telling us?

Mr. Ludwig replied that is correct.

Alderman Levasseur stated sitting on Accounts and Enrollment with Alderman Hirschmann for the first year and a half I will vouch for Parks because every single time we get a meeting and every single time we get our 90 days over it is always Parks & Recreation that never gets their money. They bill them on a constant basis and we watch that very closely. We have tried to help them get that money but the School District just refuses to pay it. They always bill them on time.

Chairman Cashin stated that may be something that you want to talk to the School District about when they come in.

Alderman Lopez stated I think Alderman Wihby is correct. When I was a commissioner we got \$650,000 and I am not going to rehash it but the question I

have is under the new procedures where the School is separate and you are charging them exactly for what you do whether it is \$500,000 or \$425,000 or whatever, the \$300,000 that the Board has given does that have an affect on any other athletic fields for the general population other than the School District.

Mr. Ludwig replied I think ultimately it will because effectively we have been building debt service going forward counting on that amount of money coming through. Now if it was the Board's intention from Day 1 when they formed the Enterprise was to say this is an amount of money that we are going to assign, \$650,000, and I don't care where you put it and they said we are going to wean so to speak the Parks Department off of this as they have an ability to generate more revenue or reduce expenses or do whatever they want to do but that wasn't what was indicated to us. Now we have been trying very diligently to cut expenses and generate more revenue in different ways and fix facilities that have been left in a state of not too great a repair over the years. You could begin that process, again, if the number was \$500,000 for the School District this year which is what we told them it would be and you want to say well we are going to reduce the \$300,000 by \$150,000 then, we are back to the \$650,000.

Alderman Lopez stated just to keep it simple, if we go on the theory that we are going to charge them for exactly what they use and not just the \$300,000, does this have an effect on your budget at all.

Mr. Ludwig replied instead of a 3% increase in golf this year you would have seen a 10% or 15%.

Alderman Wihby asked is that bad for people who don't use the golf course. Why should they subsidize the golf course? Isn't the full intention of why we went to the self-supporting fund to not subsidize...

Mr. Ludwig interjected maybe golf is a bad example because really golf has supported itself since the golf course has been in existence. Maybe we should use the swimming pools like I said that I carried in the Enterprise for \$1.2 million. No one really wants to hear about that but I want to keep emphasizing it because it was very difficult in five years trying to generate any revenue with a \$1.2 million saddlebag to carry around. So it wasn't an easy task.

Alderman Lopez stated I have one final question your revenue when it comes to non-School activities is very little. Is that \$300,000 on the City side where you went and charged American Legion and other people more money that they can not afford to use Gill Stadium? Is that money in there for that reason?

Mr. Ludwig replied it is to some degree but we still bill the School District...

Alderman Lopez interjected forget the schools.

Mr. Ludwig stated that is one of the items that we would say who uses...when legions use the facility in the summer who are they. They are the high school kids from Manchester and maybe some come from Hooksett but basically they are your high school ball players who are using the facility for 10 or 12 weeks in the summer. Yes it is some of that but is that \$300,000, no. I am not here trying to hide \$300,000 but that is the way it was allocated over the years and quite frankly the Enterprise couldn't have survived without it.

Alderman Gatsas asked in the general fund for public swimming on Page 106, is this a chargeback because the swimming pools are in your Enterprise fund aren't they.

Mr. Ludwig answered no, not now. They were removed about a year ago.

Alderman Gatsas stated the number that you were talking about was \$1.2 million that you had some saddlebag that you were carrying around.

Mr. Ludwig replied that was for the first five years that we were an Enterprise.

Alderman Gatsas asked what you are saying is the total was \$1.2 million.

Mr. Ludwig answered right and we would come back to the Board every year and in fact we went to the Mayor and he is the one who said we will go out and do a focus study to see if they want to charge people to go to swimming pools and the answer was absolutely not at the time.

Alderman Gatsas stated unrelated to any of this, who is in charge of if somebody from the outside of the City is looking to use a facility. Who is in charge of booking that facility? Let me give you an example. Livingston Park.

Mr. Ludwig answered I know where you are going, Alderman. This year we sat down and we thought that we would enter into some serious discussion with the School District because we had some different venues going here. Central High really has a facility that it can call its own pretty much. I know it is not next to the school but it can for the first time in a lot of years. West now has a facility that is going to be used very heavily by the school from this point on. Memorial's facility needs a little help over there and some upgrading and hopefully one of these years we get to that. We felt basically that the high schools should control their own fields and consequently the athletic director and the high schools should determine how those facilities are used. They are doing 90% of the booking by

just telling us our soccer team is going to be there, our football team is going to be there, our band is going to be there, our physical education class is going to be there and it goes on and on. It made perfectly good sense to us that people who may control 10% of the time that it could be open should not be the ones that are in charge of the booking, which is us. Now if you want to talk about North soccer to the rear, we would step in even though those rec people basically control their own permits. The City still owns those fields and I have been a firm believer of that and if we want to step in and say we would like to see that 10% used a little differently than what you are doing from a School District position then maybe we should but we felt it made good sense to let the people who use it 90% of the time to control the way it was being used.

Alderman Gatsas replied let me follow-up with where I am going so everybody on this Board hears this. So what you are saying is that the School District at some point should have a parameter on when they are going to allow a field to be used.

Mr. Ludwig responded I think that would make good sense for them to do that.

Alderman Gatsas asked so if somebody has been calling the School Department and let me just tell you who it is - the Senior Olympics which used to carry on in Laconia wanted to come to Manchester and use the Dr. Lewis T. Gatsas facility up at Livingston and to no avail. They called Parks and they said it was a school issue and the School said they weren't ready to deal with it and they didn't know how to deal with it. Here are 400 seniors who are looking to have an event. I could understand if they were looking for a month or every weekend for four weeks but they are looking for one day and nobody has given them an answer and now they have to get stuff printed and get it out so they can have 400 seniors going to an event and nobody has given them an answer. I think they are lost and for them to be calling me...

Alderman Lopez interjected there was a meeting with the athletic chairman and Alderman Thibault and on behalf of Alderman Hirschmann and Alderman Cashin I attended that meeting. They are finalizing the policy for utilization of Livingston, West and Memorial fields. In the case of West and Memorial, you have the Sabres and the West Raiders. As far as the policy they came up with and the fee structure for utilizing those fields, Mr. Ludwig is absolutely correct. The School Department feels very strongly that these are school fields and they should be booking them. Either Parks & Recreation is going to have to provide an individual down there to protect those fields and they will have to come up with a price and at West for example it is \$25 an hour for a man to be over there so he can clean up those fields. That is in the process of being presented to the Athletic Committee of the School Board and in turn to the School Board for final approval.

They are looking at the position, according to the Deputy Superintendent and the Athletic Director, that booking the fields will be a school function.

Alderman Gatsas stated so I guess...you haven't answer my question. So for somebody who is looking to book this in August and needing to make commitments to printers to print the materials, we are just going to wait for somebody to make a decision.

Alderman Lopez replied well it is a school facility according to what they believe.

Alderman Gatsas stated it just amazes me that somebody is not calling this gentleman back and telling him that. So, what we are telling him is we are not sure whether you can use the facility? 400 seniors looking to participate in senior Olympics and this City is not prepared to make a commitment for one day.

Alderman Lopez stated I left the meeting and I will tell you that if they called the Athletic Director of the Superintendent of the School District I am sure they will get an answer.

Alderman Gatsas replied I will tell you they called them six times and they didn't get a return phone call. That is why I got involved because he called me.

Chairman Cashin stated it is obvious that we have a communication problem here someplace but we are not going to solve it here this evening. I do think and Ron I don't mean to put you on the spot but will you look into it and try to find out what is going on and let us know. Somebody has to be in charge as it relates to West field, Central field and Memorial field. I think this Board wants to know who is in charge.

Mr. Ludwig replied I think that is something that the School District is struggling with as it relates to handling it.

Alderman Gatsas stated I don't care who is fumbling or bumbling, I am saying there are 400 seniors that are looking to play at a venue and for some reason this City isn't giving them the opportunity.

Chairman Cashin stated it is very poor PR.

Alderman Gatsas stated that is absolutely unreasonable and I am not looking at taking it out on you so you ought to stay out of the hornet's nest because somebody else will be in here and I will put them in it.

Mr. Ludwig stated I will call Joe Raycraft tomorrow morning and find out why they can't give him an answer as to whether or not the place is being used on August 26. If it isn't, they should be able to use it. That would have been an easy thing for us to handle, but I am trying to stay a little bit outside of that.

Chairman Cashin replied I think that is the problem. I think everybody is trying to stay a little bit outside of it and nobody is making any decisions. Somebody is going to have to make some decisions.

Mr. Ludwig responded I will call him in the morning.

Alderman Shea stated when the summer comes and school is out does Livingston Park still revert to the School Department or do you folks kind of take charge during the summer months. If the seniors want to come, slip them in in the summer.

Alderman Gatsas replied the date is August 19.

Alderman Shea responded there is nobody around then is there.

Mr. Ludwig replied football.

Alderman Shea stated but they don't practice up there.

Alderman Gatsas replied it is a Sunday I believe.

Alderman Shea asked wouldn't you folks be in charge of that.

Mr. Ludwig stated it is a simple issue here, whether they are dealing with us or dealing with the School District. If it is available and it is open, then it is open. If they were calling me I would have to call the School District and ask them if they are using it.

Alderman Vaillancourt stated on the other end of the spectrum, there are people who use our fields that leave them in a mess. I am talking about this rugby team from Derry that uses Highland Goffe's Falls school and this is a budgetary matter because the janitor has to go out and clean that up every Monday morning or whatever. This is unacceptable and people that use the fields like this and treat them like pigs ought not to be allowed to use them.

Chairman Cashin replied I believe they have permits, don't they Ron.

Mr. Ludwig stated in the case of that rugby team, they do have a permit. We have sent them letters with their permit that says we have had complaints and concerns. I have gone there myself and checked several times. I try to do the best I can as it relates to policing whether they are coming from in town or out-of-town or wherever. He is right. It shouldn't be tolerated.

Chairman Cashin responded the bottom line is you can pull the permit can't you.

Mr. Ludwig replied absolutely we can.

Chairman Cashin stated so you might want to think of pulling the permit if that is the problem.

Mr. Ludwig replied we can and I think that Ron Johnson did pull the permit on that group this year.

Alderman Wihby stated I just want to go back to that \$300,000. If we were giving you \$300,000 over five years and you said it cost you \$1.2 million for the swimming pools it sounds like we were paying for the swimming pools so when you moved the swimming pools back to the general fund you should have not taken the \$300,000 any more. Could you do for me what is going to happen if you don't get that \$300,000? What revenues will you raise or what expenses will you cut or what will be done in the Enterprise fund? Could you get that to this Board?

Mr. Ludwig replied I believe we could do that.

Alderman Wihby stated the second thing is and you might have said this earlier but on the cemetery perpetual care...

Mr. Ludwig interjected you realize that if you reduce the \$650,000 by...

Alderman Wihby interjected I am just reducing the \$300,000 expense in the general fund. I am not telling you where it is coming from.

Mr. Ludwig stated but again I wasn't involved in formulating the Enterprise. You would have to go back there. I will take my best guess as how it was done. It was done by somebody looking at it and I don't know because I wasn't in the room and I spoke against this but I have been happy with it and try to work with it. The fact of the matter is that I think somebody looked at the expenses that were in the fee areas that were assigned in the Enterprise and they said how much would they need for revenue to offset what they can't earn on their own. They came up with a number of \$650,000 and they added it to \$900,000 and they came up with \$1.5 million and they said there they are \$300,000 short so let them have golf, skiing,

tennis and whatever else they can to meet the bottom line and that is what we did. We struggled. There was no input as it relates to the thousands of dollars that were spent to keep the swimming pools going, not just to operate them.

Alderman Wihby stated but you moved the pools over again.

Mr. Ludwig replied we moved the pools over after five years.

Alderman Wihby stated and you got \$300,000 for five years. You got \$1.5 million and you moved them over. Forget what you got.

Mr. Ludwig stated that \$300,000 combined with the \$350,000 that the School District was paying us only equated to what we needed to operate the facilities with, bottom line.

Alderman Wihby asked so if you moved them over to the general fund why should you get the \$300,000 for the Enterprise fund to pay for the pools.

Mr. Ludwig answered the swimming pools in my opinion had nothing to do with the \$650,000 at that point. You are trying to say that the swimming pools...

Alderman Wihby interjected what I am trying to say is we set it up to be self-supporting and a true Enterprise fund not to be subsidized by the general fund and whatever it took to do that you should have been doing. You should be raising the fees, cutting the expenses, not buying something that you wanted to buy or whatever. That should be paying for itself within the Enterprise fund. That is what an Enterprise fund is. It is something that doesn't effect the general fund or the tax rate. With these \$300,000 it does. I am asking you to go back and look into your budget and see where if you didn't get the \$300,000 from your side, if it was cut from your side so you couldn't give it to the Enterprise fund, what that is going to mean. Is it going to mean increased fees somewhere, less service somewhere, less equipment? Just put it together and have it add to \$300,000.

Mr. Ludwig replied that is difficult to do because we have established debt service moving forward now to try and get projects done that will effectively generate more revenue, i.e. tubing at McIntyre. The first thing I will tell you is that we will stop the project going forward at McIntyre Ski Area because I am not going out on a limb with money that I don't have, therefore, I can't get the more money that I would like to have. I won't put in more snowmaking at X amount of dollars and I won't do the snow-tubing project and we won't reap the benefits that it could bring down the road at \$250,000. That is what I can put in writing for you if you so chose.

Alderman Wihby asked so you are going to cut something that is going to generate revenue. Is that what you are telling me because if you don't regenerate the revenue that you want you are going to have to cut more to do it.

Mr. Ludwig answered well I am not going to be able to re-mortgage my house so to speak.

Alderman Wihby asked why.

Mr. Ludwig answered if I can't afford to pay for the mortgage.

Alderman Wihby stated you have me lost. If you put something together that says if I get \$300,000 less from the general fund...

Mr. Ludwig interjected that is revenue. You just cut \$300,000 in revenue out and you are asking me what effect it has.

Alderman Wihby stated it is going to be \$300,000 less in expense or you are going to have to raise the fees somewhere. You are going to have to go and raise an extra dollar on a single member or two dollars on a family or whatever you have to do to generate the \$300,000. That is what I am asking you to do. Find out from what increased fees or decreased expenses you could come up with if you don't get the \$300,000 from the general fund. It doesn't mean you have to cut any services at all.

Mr. Ludwig replied the only thing I struggle with, Alderman, is when I come back and then people tell me it is too expensive to ski and it is too expensive to skate and it is too expensive to golf, etc. You are telling me that an Enterprise respectively is a business that you will tell me what to charge for my property.

Alderman Wihby responded no I am telling you that we are not going to subsidize it. That is what I am telling you so you are going to have to go back and see what you are going to charge because we are not going to subsidize you any more.

Mr. Ludwig replied I can do that.

Alderman Wihby stated the second thing is on this perpetual care in the cemeteries. Is there money generated? It is a big expense for perpetual care but there is no revenue for it. How does that work?

Mr. Ludwig replied perpetual care is an expenditure of dollars from the sale of a lot or a grave that goes into the principal side of the trust fund.

Alderman Wihby asked so the \$300,000 that is on here for revenue that says from trust funds...

Mr. Ludwig interjected that is projected by Finance for us.

Alderman Wihby asked that is lots.

Mr. Ludwig answered that is effectively income and what the City Treasurer determines he will get as revenue from the interest side I suppose.

Alderman Wihby asked so explain to me what happens. Somebody calls you up and wants to buy a lot and what do they pay?

Mr. Ludwig answered \$800.

Alderman Wihby asked so they pay \$800 a lot and then that money goes to a trust fund.

Mr. Ludwig answered 20% goes into the general fund and the remainder would go into the trust fund.

Alderman Wihby asked so where is the 20% in the general fund.

Mr. Ludwig answered there is a combination of over the \$350,000, which comes to like \$450,000 or around there.

Alderman Wihby stated I am on Page 31. Is that where you are at?

Mr. Ludwig stated I think we are almost with you. Your question again, Alderman?

Alderman Wihby asked regarding the revenues that are generated from the lot you said that you sell them at \$800 and 20% goes into the general fund so where...

Mr. Ludwig interjected are you looking for revenue as it relates to the sale of a single grave, not a lot, not a niche, not a crypt.

Alderman Wihby replied whatever. Where does that money go?

Mr. Ludwig responded the general fund.

Alderman Wihby asked where is it in here.

Mr. Ludwig answered it would equate to about...I mean if you subtract the \$300,000 we are getting from the total it comes out to about \$150,000 or so total.

Alderman Wihby asked but what line item. I don't see \$150,000.

Mr. Riddle stated we have a line item 4308 that says grave lots. That has \$3,000 in it. That was on Page 30. At the top of Page 31 we have single graves. That had \$10,000 in it. These represent the City's share, the 20% and 25% share when we sell a grave. The remaining 75% or 80% goes into the trust fund and the trust funds makes interest on that and we get reimbursed \$300,000 a year of that interest from the trust fund to offset perpetual care.

Alderman Wihby asked but it costs more for your operation than is being funded by the trust fund so who decided on the \$300,000. Is that Finance?

Mr. Riddle answered the Treasurer's Office does. I believe that the determination was to try to let the fund balance grow so that the trust fund would be large enough so at some point in time it would be able to generate enough money to offset the total perpetual care budget. In other words it might be making \$500,000 a year and the \$200,000 extra that it is making would go into fund balance to increase the fund balance. You don't see the trust funds on here. They are not on these reports. We don't get those reports.

Alderman Wihby asked so 80% of the money goes into a trust fund of which somebody tells you how much of that you can count as revenue.

Mr. Riddle answered that is right.

Alderman Wihby asked and do you know how much money is in the trust fund.

Mr. Riddle asked Randy do you know.

Mr. Sherman answered I think it is about \$8 million. You can only spend in the trust fund the earnings that you get. We are not even sure for FY01, again because of the whole stock market and everything, we are not even sure that we are going to get \$300,000 for this year.

Alderman Wihby asked so you can only spend the interest income.

Mr. Sherman answered correct. You can't spend the principal.

Alderman Wihby asked why is that. Is that the way it is set up?

Mr. Sherman answered that is the way those trust funds were established. The City established them that way.

Alderman Wihby stated so we have \$8 million in there of which we can only use the interest. We already used 20% of the money so we are only using the interest on the other 80%? Don't you think, Randy, that we should probably be using more of that? You have \$8 million in there.

Mr. Sherman answered well again you can only use what you are earning.

Alderman Wihby replied but only because we set it up that way.

Mr. Sherman responded right. You would have to go back and petition to change all of those trust funds. When people come in...

Chairman Cashin interjected the City didn't set that up. The people who are participating...

Mr. Sherman interjected yes. You set that up and when people come in and pay their \$800 and their 80% goes in they are putting that money in there so that you are perpetually taking care of those graves based on those earnings. If you start spending the principal, now you have broken the contract with those people who have given you their money. Now you may have gotten that money 50 years ago in some case but they paid you that money up front so that you would forever take care of those graves now.

Chairman Cashin stated that would have to be referred to the City Solicitor and this would take some work I think.

Alderman Wihby stated I am just trying to figure out how it works. I just heard that the interest was \$500,000 but we used \$300,000. That is not true?

Mr. Sherman replied I think what Rick said is some years you may have some good earnings like for example two or three years ago you were earning some decent money and getting 15% or 20% in there. This year you are probably down closer to 5% or 6%. Some years are good years and some are bad.

Alderman Wihby stated if it is 5% or 6% it is still over \$300,000 so why can't we just use the total interest.

Mr. Sherman replied again the problem is that you have accounts in there that were funded at the price of the graves in 1942 and if you try to take the interest on that you are never going to have enough if you don't allow some of that interest to

accumulate and flow into the principal and then build upon that. You have to continually try to build this to keep up with your inflationary costs.

Alderman Wihby asked who makes that decision, you guys.

Mr. Sherman asked what decision.

Alderman Wihby answered if it is \$500,000. Are you the one who tells them they can only spend \$300,000?

Mr. Sherman stated we try to make an estimate every year of what we believe is going to be available and yes that is a calculation that we do in our office.

Alderman Wihby asked can we see the calculation for this year.

Mr. Sherman answered yes we can certainly provide you the trust fund statements.

Alderman Wihby stated I think we increased the perpetual care not too long ago, right. Didn't we increase the amount for the lots and stuff a couple of years ago?

Mr. Ludwig replied yes. We are pretty much in line with that.

Alderman Shea stated I want to compliment your department and Ron Johnson. In getting back to the \$300,000 that Alderman Wihby was talking about I want to kind of throw this question out to the Board. Is this the only thing we subsidize in the City? Aren't we subsidizing a civic center and other things like that that are worth millions and millions? We are talking about \$300,000. How is that going to affect youth hockey or other things? Are you going to have to charge more money for these kids to play hockey?

Mr. Ludwig replied absolutely we will have to do that.

Alderman Shea stated already they pay about \$900 a year. I don't know if other Alderman have grandchildren playing but I do and that is quite a bit of money. So, you would have to raise that how much? You would have to go to the youth program and say what?

Chairman Cashin stated all Ron Ludwig is being asked to do is to come back with a recommendation of...

Alderman Shea interjected I don't approve of an Alderman beating him over the head for about an hour or two to save \$300,000. Is that what we are talking about or is that coming out of the general fund? I don't think it is fair. I think that you

guys are doing a great job. We should think of the long-range impact on the entire community and whether or not we are going to save some money in terms of the general fund versus an Enterprise. He beat you over the head for about an hour on that point and as far as I am concerned you guys are doing a great job and I would vote against whatever that proposal was.

Alderman Wihby stated let's not kid ourselves. It is a user fee or it is a tax and we are going to raise taxes. Either way someone is paying for it. My thinking is it should be a user fee and if you are using it to play baseball or soccer or whatever you are doing that should come from here. Why should a normal taxpayer have to pay for it in the tax rate when we can do it in the user fee? One way or the other you are paying it.

Alderman Shea asked why should an elderly citizen have to pay for a senior center. Come on now.

Alderman Wihby answered we are talking about this \$300,000 that should be coming out of fees rather than out of the tax rate because it was set-up to be an Enterprise fund.

Alderman Shea stated some kids are playing hockey whose parents are sacrificing and they are going to have to pay more money.

Alderman Wihby replied they are paying more in taxes. What is the difference? Either they are paying it on their taxes or they are paying it as a user fee.

Alderman Shea responded they are probably not going to pay as much in taxes. That is what I am saying.

Alderman Lopez stated I think it would be beneficial...I think that Alderman Wihby made a point about the cemetery and I know that the trustees met in this Chamber with an individual from the state and there is a way to utilize some of that money for capital improvement. I don't know if you were here, Randy, or Kevin but Kevin sits on that Board I believe. Do you know anything about a new procedure? If we can get the minutes of that meeting I am sure that we can find out the exact information that was said. I believe the money utilized at the Cemetery for the trustees, the trustees would have to approve whether we could use that money for capital improvement. Do you want to comment on that?

Mr. Sherman replied within the Cemetery trust fund money there is money that has been put in for perpetual care. There is also money in there that is not there for perpetual care and some of that money if you petition the state and the

Attorney General's Office I believe you can get permission to use that for some capital items, yes.

Alderman Lopez responded that is what I am saying and if we could get a copy of those minutes I think we would all understand that it can be done but it has to go through the trustees.

Alderman Levasseur stated I want to get back a little bit to the chargebacks, Ron, because I know it has been a perpetual problem and we always talk about it and I don't mean to beat anybody over the head but maybe Randy or Alderman Gatsas could jump in on this but if we charge the right amount of money to the schools doesn't that in turn allow us to charge a better or more reasonable or feasible or more correct amount of money for tuition students. Isn't that what this was all meant to be? If we get the right number and we get our money, no matter who pays it if it comes out of the school side because it is the right place to charge it when we go for our tuition agreements with outside towns we get a much better tuition payment because we are charging the right amount of money and they have to pay us that amount of money. Isn't that what this is all about and why Alderman Wihby keeps trying to get the right numbers so we can charge the right amount of money to the tuition students who come in from other towns so we can get more revenue to alleviate some of these problems from the City? That is what this is all about.

Mr. Ludwig stated if you just use ice time for example, we have a five-year deal with Manchester Regional Youth Hockey for instance and their rate for 2,100 hours of ice use this year at both arenas is \$100. Next year it goes up to \$110 and the next year it goes up to \$120 and the next year it goes up to \$130 and the next year it goes up to \$140. Therefore, they are basically...they pay the least amount per hour of anybody. If you and I want to rent the ice tonight at JFK it is \$140 a day. Now if we want to go to Salem or Exeter or Tyngsboro we are going to pay somewhere between \$190 and \$250 an hour for ice. My charge to the School Department now and I am not saying it should be higher necessarily but is the same rate for junior hockey. So we charge them \$100 an hour for ice. Now if you want me to charge the School District \$200/hour for ice on paper then I can do that. It all becomes relative in that regard I suppose and that drives that number up that you are talking about as well.

Alderman Levasseur stated instead of charging them what other towns do, why don't we charge them what we charge our own people in our own town and you will still be at \$140 instead of \$100.

Mr. Ludwig replied again that is what I am charging them because the School District would come back to me and say how can you charge us more than the

junior hockey rate, which is \$100/hour so my charge back to them is \$100/hour. Next year my charge back to the School District will be \$110 because junior hockey's low is \$110. I have to be very careful what I set out there. It is not always what should be charged. Believe me you can't find a sheet of ice, prime time ice in this area, for under \$175/hour. I am at \$100 for them and \$100 for the School District.

Alderman Levasseur asked how much are you going to be coming in with for a surplus on this budget.

Mr. Ludwig answered about \$150,000.

Alderman Gatsas stated if you look at your revenue on Page 44 of the new handout that you gave us, on line 4389, it is an 875% increase in revenues from the golf line for residential single member I assume. You are showing this year or the Mayor's recommended is \$2 million off of the revised budget of \$205,000.

Mr. Ludwig replied I don't think that is a correct number. It is probably \$200,000.

Mr. Riddle stated we don't take in \$2 million.

Alderman Gatsas asked Wayne are you using that in your revenue figure.

Mr. Robinson answered that is an Enterprise so it is not included in the general fund revenue numbers.

Mr. Ludwig stated that is a typo.

Alderman Gatsas stated so I assume I am not going to find an expense when I look for Derryfield of \$3 million because then we just found that \$300,000 real easy.

Mr. Ludwig stated golf is up but not that much.

Alderman Gatsas asked are you saying that I am looking for nothing so we are not going to see that as an expense. It is an expense on Page 165, which would be the last page of that handout.

Mr. Ludwig answered that looks like the total Enterprise expenditures. Again, we build in a number there for capital and things like that and if we can't afford it then we don't get it.

Alderman Gatsas asked how do you build in an expense when you are not even close...you are off by \$1.7 million in the revenue account. Do you just arbitrarily look at your number and build an expense to it?

Mr. Ludwig answered in an Enterprise I guess the answer to that is we do do that but we are not going to ever exceed a number that we could afford to pay for as it relates to expenses. We just hold that number down in Enterprise however we need to.

Alderman Gatsas replied but you are already off by \$2 million or \$1.7 million.

Mr. Ludwig responded right so we inflate like a capital expenditure like maybe we are going to win Megabucks here but of \$1 million we would only spend maybe \$250,000.

Alderman Gatsas stated just think about what you are saying for one second please. If I reduce your revenue by \$1.8 million because you told me that was a typo, you have to reduce our total line by \$1.8 million. I am giving you the \$200,000 that you are there so it has to be \$1.8 million.

Mr. Ludwig replied we are showing \$2.043 million.

Alderman Wihby stated but your expenses show \$3.7 million.

Mr. Riddle responded but that is also budgetary expenses. For example that includes principal payments on debt, it includes capital asset additions which get capitalized and then get depreciated. It is a little bit of a difference between a gap basis revenue number versus a tax basis type of number.

Alderman Gatsas stated it is \$1.2 million over your revised budget of last year in your expense. Your revised budget last year for income showed \$1.9 million. Is that right?

Mr. Ludwig replied it sounds right.

Alderman Gatsas stated they showed a revised budget of \$1.9 million and they are planning on spending \$2.1 million.

Alderman Wihby stated just so we understand, the revenue you are saying is \$2 million or \$2.043 million and when I look at the expense sheet it says \$3.773 million.

Mr. Ludwig replied that is a mistake.

Alderman Wihby asked the \$3.773 million is a mistake on the expense side.

Mr. Ludwig answered no.

Alderman Wihby asked so if you only have \$2 million to fund the \$3.7 million, where is the \$1.7 million. We know that \$300,000 is coming from...no the \$300,000 is in there so where is the \$1.7 million coming from to fund your expenses if it is an Enterprise fund?

Mr. Riddle asked what was the expense number you were using.

Alderman Wihby answered the Mayor's recommended of \$3,751,196.

Mr. Riddle stated that includes \$150,000 for contingency and chances are we are not going to spend contingency. That would be if we happen to need it. It includes \$191,000 worth of principal payments and principal payments are really not an expense. It is repaying money that we borrowed but from a budgetary standpoint it is an expenditure. It also includes about \$1 million worth of capital expenditures. That would be the 0740 and 0898, special projects and equipment line items.

Alderman Wihby asked the \$850,000.

Mr. Riddle answered it is \$850,300 on 0898 on Page 54 and \$176,850 on 0740. We have the contingency of \$150,000 on 0903 and we also have the debt principal payments, the maturing debt which is 0919, \$191,601. Those are the primary ones.

Alderman Wihby asked so explain something. You made up a budget of \$3.7 million knowing that you only had \$2 million to spend? Why would you do that?

Mr. Riddle answered it is not the same standpoint.

Mr. Ludwig stated in other words, Alderman, we would build things in there to at least be able to track like a new zamboni and items like that that we have to purchase ourselves. If we could afford it we would buy it.

Alderman Wihby asked if you know you only have \$2 million to spend in the Enterprise fund why would you make a budget of \$3.7 million.

Mr. Ludwig answered I think it is a matter of just the way we track everything out there that we know we are going to need although we know we can never spend it.

Alderman Wihby asked so when you give us this budget...even if you take out all of the special projects, all of the equipment, all of the maturing debt and all of the contingency you are still in the hole \$400,000 just to get to where your revenue is.

Mr. Ludwig answered that is why when it gets to be this time of the year we will hold back on doing whatever we need to hold back on to meet the bottom line.

Alderman Wihby stated I don't understand why someone would double their budget knowing that they are not going to get the money.

Mr. Ludwig replied it is really probably not the right way to do it but we know that it is an Enterprise and we are not going to overspend anywhere near that amount but we can track things better.

Alderman Wihby asked if you had more than \$2 million in revenue, let's say you got \$3 million in one year then you could spend it.

Mr. Ludwig answered well we would have to ask.

Alderman Wihby replied but this would cover that so if you asked we wouldn't have to do any other action because you had \$3.7 million so whenever the revenue is higher than that you ask for it and if you got it you don't have to do another...

Mr. Ludwig interjected right.

Mr. Sherman stated I think what Ron is trying to say is they are going to budget their revenues to the extent that they believe they are going to get their revenues. However, being an Enterprise fund they can spend whatever revenues they get but again they can only spend the revenues if you have appropriated them so what he tends to do is come in a little bit higher on his expenses so he makes sure that he has the appropriation there if their revenues are coming in higher. What Rick is saying is we are always watching the bottom line and we are always making sure that our revenues and expenses match and we are not running deficits on those items because again if they are paying debt service they are also depreciating and he has those things going back and forth. Now the \$1.7 million difference may be a little excessive but again I think what you want to do is let the Enterprise fund budget a little bit higher on their expenses in the case that their revenues are there. I mean you have the same situation out at the Airport. When the Airport is growing if Mr. Dillon doesn't spend those revenues it goes back to the airlines and that is not necessarily what you want to have and you don't want Parks sitting there and always being in a delay mode and saying well I have all of this revenue here but I can't spend it until the next budget cycle until we go through the whole

process. If he is bringing in excess revenues, I think those people who are paying the user fees want to be able to receive those benefits as they come in. So he increases his expense budget with the hope that he will exceed his revenue budget.

Chairman Cashin asked, Randy, are you comfortable with the way this is being done.

Mr. Sherman answered yes I am comfortable with the way it is being done. Again, I think the expense side is a tad excessive. I think both Ron and Rick will agree that they will never see \$3.7 million and they can go back and pare that down.

Chairman Cashin asked but they can only spend the amount of money that they have revenues for anyway.

Mr. Sherman answered that is right because they are trying to balance that bottom line. If they have had a surplus from the prior year they can, again, as long as you have appropriated it they can spend some of that and I believe at this point you do have a small fund balance that you really could spend if you needed to.

Chairman Cashin asked so you don't have a problem.

Mr. Sherman answered no I don't have a problem with it.

Alderman Levasseur stated for each of the Enterprises that are shown on this list right here, Ron, you are the manager of all of the Enterprises including the City parks. This is everything, right? Do you and your employees cross over in salary to each of these Enterprises? Did you break that out salary wise in each department? If you are saying to yourself well I am the manager of the whole place do I also say well like you are doing a chargeback thing like we do with the schools or do all of those Enterprises have their own employees and that is exact salaries or these are not actuals? You must have crossover.

Mr. Riddle replied our administrative people, for example, are charged 60% to the Enterprise fund and 40% to the general fund. We have some people who work strictly on the Enterprise fund. They work at like Gill Stadium and the ice arenas but then we have some Parks people who charge some of their time...for example the mechanics who come over and fix the zamboni, they charge the Enterprise fund for their time so they might be split like 80%/20%.

Alderman Levasseur asked so you actually sit here and try to work all of these numbers out. The reason why is because after I added up all of the salary numbers on the sheet you gave us I came up with a higher number than what you have

given us on the other sheet and I am just wondering why you came up with \$125,000 to \$150,000 in extra salary but I can see Alderman Gatsas came up with \$204,000 and I am kind of confused as to why we would come up with all of these different numbers.

Mr. Ludwig answered it is a very confusing way of budgeting. We talked about that a few weeks ago. Rick talked about maybe it would be better to lease the people back. Charge it all to Parks and kind of like lease them back and it would be easy to track it. We discussed that. Again, we kind of just walked into this Enterprise. We have all of these people in the department who started working here and in different organizations and when you start trying to track them as they move around and do different tasks...the mechanics fixing the mower in Victory Park general fund gets a call on the radio and he goes over to JFK and he is working on the ice machine and now he is charging it somewhere else. It is confusing.

Alderman Levasseur asked so where is the actual number though. Is there an actual number here at all? Do we have an actual number that is just one solid number for all of them together? That is my question. The one you gave us today you were at \$811,000 in actual expenses up to May 7. Now is that actual for all of the Enterprises and Parks or is this not the right number? Do you know what I am saying? If I go to the next one it is JFK Coliseum and as of May 4 you have \$109,000 in actual expenses for salary and then I will go down to West Side arena where you have \$90,000 for actual expenses. I added that number up and I think I came out to \$1.9 million. I am just a little concerned because I don't really know exactly what the actual number is and what the revised budget number would have actually been. Does everybody understand where I am going with this?

Mr. Ludwig answered I am following you on the \$811,000. You are adding that \$811,000 to...

Alderman Levasseur interjected if you go two pages after that you will hit actual expenses at JFK which are \$109,000 and then two pages further you have West Side arena and \$90,000 and all the way through and then you come up with a big number. I guess what I could have done was add up all of those and then add up the revised budget numbers and then I would have been able to come up...I am just wondering where you came up with your \$125,000 to \$150,000.

Mr. Riddle replied that is on the general fund.

Alderman Levasseur asked only on the general fund number.

Mr. Riddle answered right.

Alderman Levasseur stated it is confusing because you are doing a crossover on your budget...I mean on your...

Mr. Riddle interjected usually the Aldermen are concerned with what we are going to turn back to the general fund, not what we are going to turn back to the Enterprise fund.

Alderman Levasseur stated well that is the question of the day. So there will be a turn back to the Enterprise fund on the salary adjustment also?

Mr. Riddle answered we expect there will be something. I am not sure how much it will be. It won't be to the extent of the \$125,000 probably.

Alderman Levasseur asked so when it goes back to the Enterprise fund...so that is like a whole separate fund and that doesn't come back to the Aldermen or anything. That is the thing I am wondering about. You guys can kind of adjust those numbers so you can get some more money into your Enterprise fund and hide some money in your Enterprise fund instead of giving it back to us in our general fund. It is just a smart way of doing things.

Mr. Ludwig responded there again that could hurt one side or the other. If that was the case we would be in here saying that we want to fund administration 60%/40% in the other direction because we really feel that it a hit on the Enterprise that goes 60%/40% with an administrative split in most cases. Where is the majority of my time spent or Ron Johnson's spent? I can tell you that Ron Johnson works probably zero in Enterprise.

Alderman Levasseur asked if I went to last year's budget would I be able to find a consistency in the charges from last year to this year. You are following a formula that you are sticking to?

Mr. Riddle answered we have always, we have used the 60%/40%. Some years back it was a 70%/30% split but that was several years ago. The regular hourly people fill in and sign a timesheet that says where they worked and if somebody wants to come and audit those timesheets they will find that that is exactly what was keyed into the time system.

Alderman Levasseur asked wouldn't it be better to zero out the Enterprise fund so that you wouldn't have anything extra so you would be able to know just how much revenue you should be getting for your services because like Alderman Wihby was saying you want to make it more user...the users are paying for it

more than the taxpayer. I am wondering if you could probably just get us that number for the Enterprise salary adjustment.

Mr. Ludwig answered I guess if we were trying to be less than honest we would be charging people for the next month and a half dead heat to the general fund and using up the \$100,000.

Chairman Cashin stated I would hope you wouldn't do that, Ron.

Mr. Ludwig replied it is actual. If that is the question...I think what you are asking me Alderman Levasseur is if we have the ability to do that.

Alderman Levasseur responded yes you have the ability to juggle but I am just questioning whether there is a consistent formula that you would be able to show us so that we could see a consistent formula that you are charging just like we would ask out of the School District. We try to be as consistent with the chargebacks so that we can see exactly where the money is going and see exactly how much would be left over for regular salary and of course back to the general fund. That is just pretty much my question. If you could just get me that number of what would be left over for salary for the Enterprise fund I would be happy to see that. I know we can see the number that we are going to get back for the general fund but I would like to see what the Enterprises are just to know.

Chairman Cashin asked do you understand, Ron, what he is asking for.

Mr. Ludwig answered not really.

Alderman Levasseur stated I would just like to see the number from the Enterprise fund what the salary adjustment would be.

Mr. Ludwig asked so in other words we asked for a number for salaries in Enterprise and how will we be at the end of the year.

Alderman Levasseur answered yes what the left over number is going to be. Your business associate said there would be a number and he hasn't told us what it is but he will find it out.

Appropriating Resolution:

"A Resolution appropriating the sum of \$3,751,196 from Recreation User Charges to the Recreation Division for Fiscal Year 2002."

On motion of Alderman Lopez, duly seconded by Alderman Thibault, it was voted to read by title only and it was so done.

Alderman Levasseur moved to table the Appropriating Resolution. Alderman Wihby duly seconded the motion.

Chairman Cashin called for a vote. The motion carried with Alderman Shea being duly recorded in opposition.

There being no further business, on motion of Alderman Pinard duly seconded by Alderman Thibault it was voted to adjourn.

A True Record. Attest.

Clerk of Committee